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Abstract

The unbanked populations who are also typically micro entrepreneurs and individuals have little access to financial products/services. Majority of the existing financial products are tailored to suit the middle and upper income group. Many poor households lack access to financial services of all kinds especially credit facilities while a number of financial institutions do not see the unbanked population as credit worthy. This contradiction has necessitated the pursuit of this study which seeks to evaluate and contribute to the possibilities of rendering financial services to the low income earners, referred to as the “unbanked” in this study, with specific reference to Atwima Kwanwoma Rural Bank a leading rural Banking Institution in Ghana. The main objectives of the study are to identify the financial needs of the unbanked population in Ghana; explore innovative approaches in giving the unbanked people access to financial products. Structured questionnaires were used to collect data from respondents while SPSS and Microsoft Excel software were used to analyze the data. The study revealed that people do not bank because they lack trust or confidence in financial institutions. Many people would readily patronize financial products if service providers would reach out to them by means of well packaged (branding)personal selling and positive word of mouth. Furthermore, banking services were not made accessible to the unbanked populace, which is a contributing factor to their difficulty in accessing financial services.

Keywords: Marketing, Strategies, Financial products, Unbanked Population, Ghana

General introduction

Introduction

Ghana continues to make efforts to reach her development goals – creation of an enabling environment for private sector investment, growth and poverty reduction strategies, etc. However, more remains to be done to brighten the chances of the low income earners to access financial assistance to improve upon their economic lives. The private sector which comprises largely the micro entrepreneurs is a propeller of economic growth that creates financial liberation for the unbanked, and microfinance is a strategy for wealth creation and poverty reduction (Mainoo, 2011).

Microfinance is not a new concept, i.e., providing credits to small and micro groups or firms. It dates back in the 19th century when money lenders were informally performing the role of now formal financial institutions. The informal financial institutions constitute village banks, cooperative credit unions, state owned banks, and social venture capital funds to help the poor. These institutions are those that provide savings and credit services for small and medium size enterprises. They mobilize rural savings and have simple and straightforward procedures that originate from local cultures and are easily understood by the population (Germidis, 1991).

It should be noted that microfinance is not a panacea but it is a main tool that fosters development in developing countries. It is known worldwide that the poor cannot borrow from the banks. Banks do not lend to them because they do not have what is required to be granted a loan or to be provided with the bank services (Germidis, 1991).
Despite the fact that banks have been in the system for far too long with myriads of products and services, a good number of the Ghanaian populace still remain unnerved; they are denied the banking services on the grounds that they are considered risky. The poor are considered risky because it is widely known that the poor cannot borrow from the banks. Banks do not lend to them because they do not have financial security that qualifies them to be granted a loan or provided with financial services. They are the group classified as the unbanked (Bair, 2002).

Statement of the problem

The unbanked populations are and cut across many segments: the working class; the low income earning group; small scale entrepreneurs; etc. Many people are out there with rich entrepreneurial ideas yet remain stifled with myriads of challenges in executing their business plans. Promising business plans persuade individuals and groups to embark on their own projects. A major challenge that deters many of such people, however, is capital, in other words money which is the lifeblood of every business.

Possibly, entrepreneurs cannot exist without having access to credit facilities. However, for a variety of reasons, loans are a scarce resource for the many unbanked population, some of whom are also micro entrepreneurs: their informal nature; the administrative disorder that characterizes some of them; their lack of leadership; the absence of real loan guarantees; a shortage of business information about small companies; and among others (Herrera, et al., 2008).

The unbanked populations who are also micro entrepreneurs have little access to financial products and services, although financial institutions continue to flood the markets with many products and service (Tandoh 2015).

The existing financial products are tailored to suit the middle and upper income group and the low-income groups who constitute the majority of the populace, however, do not have access to existing products. There is therefore, the need to develop new financial products to suit the low income earning group, many of whom do not have cheque accounts, assets, etc to guarantee them financial services such as loans. The greater percentage of Ghanaians who still remain unbaked is a source of worry. It is a source of worry because of the opportunities being missed – handling payments through a bank account provides a gateway for one to enter the financial mainstream and become an owner of financial assets. More so, those who own bank accounts are more likely to own other assets including accounts related to savings, credit, and insurance. Accessing credit facilities also becomes less cumbersome. People without financial accounts or relationship with mainstream financial institutions are likely to pay high transaction fees for services such as cheque. It goes without saying that the above argument has necessitated the pursuit of this study (Mensah, 2011).

Objectives

General objective:

The main objective of the study is to conduct an investigation into the marketing of financial products to the unbaked population in Ghana.

The specific objectives of the study are:

- To identify the financial needs of the unbanked population in the catchment areas of the bank.
- To explore the innovative approaches by which AKRB can give the unbanked population access to financial products.

Literature review

Introduction

Financial services are the economic services provided by the finance industry, which encompasses a broad range of organizations that manage money, including credit unions,
banks, credit card companies, insurance companies, consumer finance companies, stock brokerages, investment funds and some government sponsored enterprises (wikipedia.org 2013).

Over the years, commercial banks and financial institutions have been springing up in the Ghanaian economy. That notwithstanding, a chunk of the populace still remain unbanked. The provision of financial services such as loans, savings, insurance, and others to people have been a common practice by most of these institutions. This is to say that several institutions continue to provide a limited range of products and services to a sector of the public. They thus fail to address the increasingly growing and varying needs of their target group.

The bank in the bid to marketing its financial products to the unbaked group has designed programmes and a number of loan products that are tailored to meet the needs of its clients. Atwima Kwanwoma Rural Bank’s approach of supporting low-income earners has been packaged into special models, and this approach seeks to address the needs and challenges faced by the unbanked – accessing financial services (Atwima Kwanwoma Rural bank: Operations Policy Manual, 2006).

**Defining the unbanked**

Unbanked is an umbrella term mostly used to describe different groups of persons who remain outside the banking mainstream due to a number of reasons? The term unbanked means that a person does not have a checking or savings account (Bair, 2002).

According to Bair (2002), in the United States, the most common groups of unbanked people include low income individuals and families; the less educated, female-headed households, young adults, families dwelling in rural communities as well as select urban areas; and immigrants. It is estimated that African Americans are four (4) times more likely to be unbanked than European Americans. The unbanked population also includes people who were formerly banked but have negative credit histories that prevent them from opening financial accounts.

There are more than two million unbanked families in the United States. Most unbanked families have less than a $25,000 annual income. When financial institutions understand, address and meet the needs of unbanked people, the future services of the United States banking system will be impacted (The Federal Reserve Board Capital Connections, 2005).

According to the FRBCC (2005), a study conducted in 2004 on barriers to banking for Latin Americans, revealed that U .S. banks were described as insecure, unsafe, unforgiving, unwelcoming, inflexible, and have intimidating environments with language barriers to most clients. Also suggested by the same study was that more His panics would open bank accounts if what they call matriculate card (a proof of identity document) was accepted for identification; if banks were flexible in minimum balance expectations; and if remittance rates were reasonably priced.

Another study conducted in 2004 (a housing survey of low income households) revealed that unbanked people have an understanding of banks, but they were unable to show appropriate identification documents needed for opening accounts. They also had more difficulty maintaining minimum account balances, and were more likely to write checks even when accounts had insufficient funds. (The Federal Reserve Board Capital Connections, 2005)

**Unbanked ghanaians**

There are three finance segments in Ghana: The Banking and Finance; Insurance; and the Financial Market. These sectors saw a significant development in 2003 when the Bank of Ghana (BoG) officially put to force the Universal Banking Business License (Act 673) with a mandatory reserved for operation set at seventy (70) billion Cedis. This brought more competition into the banking industry. The pace was set from then and this has seen a gradual emergence of several banks and financial service providers. With time, this move by BoG led
to continuous reduction of interest rates, due to the ever increasing competition. More banks were thus willing and ready to give out loans.

Price Water House Coopers-Ghana in a report of the Ghana Banking Survey (2011) stated that, a total of 26 banks are currently operating in Ghana. The survey further observed that, the new oil found in Ghana brings enormous opportunities. However, tapping into these available opportunities still remains a challenge. This is basically due to the banks’ inadequate capacity. The survey specifically made known that the unbanked sector of the Ghanaian population remained over eighty percent (80%) and this is a large untapped area for banks and financial institutions to continue to raise cheaper funds from – through deposits mobilization. The proliferation of non-banking financial institutions is a welcome service as they reach the unbanked and mainly informal sectors to provide a healthy competition for the banking sector. The PwC report therefore, suggests that, the future of Africa’s non-banking financial institutions is remarkable (Mensah, 2011).

**Mobile banking**

The non-banking institutions need to find the most convenient ways to reach the greater chunk of eighty percent (80%) informal unbanked sector rather than waiting for them to come to the banking halls. Financial services must be mobile, thus taking their services to the door step of their potential clients and customers, as it is said that if the mountain will not come to Muhammad, then Muhammad must go to the mountain.

According to Mensah (2011), in recent times, it has been witnessed that several non-banking institutions have been in the business of approaching potential clients. The new agenda has turned on technology and innovation such as the use of mobile devices to do banking services that minimizes the frustrations of conducting a particular service directly in a bank.

One of the financial companies that has invested significantly into mobile banking innovations in Ghana is First Capital Plus, a wholly owned Ghanaian Savings and Loans Institution. The company’s mobile banking product called Speed Banking basically enables customers who would otherwise never bank to directly deposit money into their account using a scratch card on their mobile phones. This presents an excellent way for rural folks especially to engage in active banking from the comfort of their remote locations. This platform gives them the opportunity to save, transfer and make withdrawals anytime and anywhere (Mensah, 2011).

Mobile banking in Ghana has become so attractive. This is largely due to the enormous segment of Ghana’s unbanked populace. Mobile telecommunication companies such as Airtel and MTN have joined this business of offering financial services in mobile saving, money transfers, mobile insurance and others to create more convenience for many people.

Another innovative measure being deployed in Africa is the use of point of sale (pos) devices and mobile banks (mobile bank vehicles) with ATM features that provides total banking services to rural communities. Opportunity International, a micro financial service provider has taken a significant lead in this advancement towards improving upon banking in Africa (Mensah, 2011).

**Serving the unbanked population**

According to Huchzermer (2011), the unbanked or under-banked consumer segment represents a large, mostly untapped market for companies that offer financial services. In Ghana, there is as high as about eighty percent (80%) unbanked population. The Federal Deposit Insurance Corporation (FDIC) estimates that nearly eight (8%) of American families do not qualify for or choose not to have a traditional checking or savings account. Another twenty-one million (21m) Americans are considered under-banked, a group of people who may have checking accounts, but often utilize services such as payday loans or car title loans due to poor credit or other factors.
In recent times, it has become the goal of several upstart financial institutions to capture the businesses of unbanked consumers who tend to have lower incomes. As traditional banks tighten lending procedure and struggle to deal with new regulations that limit fees they can charge customers, more and more companies are popping up to fill in the financial services gaps (Huchzermeyer, 2011).

Check-cashing businesses and payday loan companies first emerged on the scene to address some of those needs. According to First Research, about 7,000 companies in the United States (combined revenue of about $180 billion) engage primarily in making personal loans to consumers. However, as technology has improved, the population has increasingly turned away from paper transactions and a new wave of companies such as NetSpend, Green Dot Corporation, FS V Payment Systems, and Blackhawk Network Inc. and other start-up companies have started offering prepaid debit cards to customers as an alternative to using traditional banking accounts or cheque cashing services (Huchzermeyer, 2011).

The Credit Union National Association estimates that by 2014, $164 billion will be loaded onto prepaid debit and payroll cards. That is a big jump from the estimated $4 billion that was put into accounts in 2008. So far only 16% of under-banked households have ever used a prepaid debit card and only 4% of under-banked households currently receive their income through a payroll card. This indicates that there is a lot of room for growth in the industry (Brooks, 2012).

Understanding and serving the unbaked population

According to a study released by the FDIC (October 2012), 8.2% or about 10 million U. S. households are “unbanked,” meaning they do not have accounts with financial institutions. Another 20.1 percent have an account but are “under-banked.” These under-banked consumers choose to use money orders, check cashing services, payday loans, prepaid cards, and other financial services offered through outlets other than a traditional bank or credit union at least once per year. Recent research conducted by First Data reveals that most unbanked and under-banked consumers are employed and working very hard to be financially responsible. These consumers feel that banks cannot help them manage their money effectively or achieve their financial goals. Financial institutions have an excellent opportunity with this consumer segment to gain new customers and to set their institutions apart from the crowd with customer-friendly, innovative services (firstdata.com, 2013).

According to FDIC, (2012) one important aspect of serving the unbanked is to understand their reasons for being outside of the financial mainstream. Without this type of information, it is difficult to design products and services to reach these groups.

The Federal Reserve Bank of Kansas City (2010) released a report on the unbanked in the 10th Federal Reserve District, which covers western Missouri, Nebraska, Kansas, Oklahoma, Colorado, and northern New Mexico. The report generated discussed why the unbanked uses alternative financial services, such as check cashers, payday lenders, etc to conduct basic transactions. Below are highlights of some of the findings that were found most interesting:

Past experiences with banks were primarily negative, and the perceived benefit and relevance of a bank relationship was not clear; family influence; risk and high cost associated with using alternative financial service providers; etc.

According to the report by Federal Bank of Kansas City (2010), participants stated the following characteristics of an ideal bank product for cash management: low-cost payment methods, lower identity requirements, access to money without delay, confidence money will be safe, and assistance with savings and budgeting.

The above concerns raised by the unbanked population need to be addressed by banks and financial institutions in order to be the alternative that these segments are searching for. Though use financial services, they have low opinion of financial institutions. Whether these consumers feel they need more control over their money or have had bad experiences with financial institutions, be it payment of high fees, etc, one’s institution can help them better understand the many valuable benefits of leveraging the services being offered. By taking a
customer-centric approach with the services and reaching out in a clear, friendly way, one can gain the trust and loyalty of a large number of such potential new account holders.

**Winning the trust of the unbanked and under-banked population**

Many unbanked and under-banked consumers have had negative experiences with financial institutions and have turned elsewhere for financial services. Most often, they feel these alternatives are more convenient, offer more control and are transparent about their fees. Once financial institution can offer the same benefits; one just needs to position their institutions in the right way to win customers in this segment. There is the need to provide an alternative to traditional credit and debit cards by offering prepaid cards. Keep fees as low as possible and explain clearly up front the benefits the cards provide, the ability to pay bills by phone or online, but don’t allow consumers to spend more money than they’ve loaded to the card (firstdata.com, March 2013).

Also, demonstrate how the online banking system provides real-time access to their account balance, pending payments and pending deposits, as well as the ability to send alerts and notifications. Many consumers may simply not know how much control they can have over their accounts or may be unfamiliar with how online banking works. The unbanked and under-banked may not have reliable internet access but frequently have smart phones, therefore ensure that online banking system is mobile-friendly (firstdata.com, March 2013).

In addition to the legal documents provided about account fees, provide a simple, one-page account overview that clearly and simply outlines the parameters of the account and all of the fees. Review this document in person with the new account holder, being sure that they understand all there is to know, and provide personalized, ongoing recommendations for additional services or ways these consumers can take advantage of what the financial institution offers (firstdata.com, March 2013).

Above all else, ensure that the telephone customer service representatives and branch personnel are trained to be friendly, empathetic and patient. The unbaked and under-banked are seeking a personal touch and want to feel that their businesses are valued and their financial situations and goals are understood (firstdata.com, March 2013).

**Financial products**

In common usage, a product is a tangible good. However, the financial services industry tends to use the word "product" to describe the vast majority of what it sells, from services such as savings, credit, etc to investment securities – like stocks and bonds (Economy Watch, 2010).

According to the Economy Watch (2010), financial products refer to instruments that help to save, invest, get insurance or get a mortgage. These are issued by various banks, financial institutions, stock brokerages, insurance providers, credit card agencies and government sponsored entities. Financial products are categorized in terms of their type or underlying asset class, volatility, risk and return.

**Types of financial products**

Shares: These represent ownership of a company. While shares are initially issued by corporations to finance their business needs, they are subsequently bought and sold by individuals in the share market. They are associated with high risk and high returns. Returns on shares can be in the form of dividend payouts by the company or profits on the sale of shares in the stock market. Shares, stocks, equities and securities are words that are generally used interchangeably.

Bonds: These are issued by companies to finance their business operations and by governments to fund budget expenses like infrastructure and social programs. Bonds have fixed interest rates, making the risk associated with them lower than that with shares. The principal or face value of bonds is recovered at the time of maturity.
Treasury Bills: These are instruments issued by the government for financing its short term needs. They are issued at a discount to the face value. The profit earned by the investor is the difference between the face or maturity value and the price at which the Treasury Bill was issued.

Options: Options are rights to buy and sell shares. An option holder does not actually purchase shares. Instead, he purchases the rights on the shares.

Mutual Funds: These are professionally managed financial instruments that involve the diversification of investment into a number of financial products, such as shares, bonds and government securities. This helps to reduce an investor’s risk exposure, while increasing the profit potential.

Certificate of Deposit: Certificates of deposit (CDs) are issued by banks, thrift institutions and credit unions. They usually have a fixed term and fixed interest rate.

Annuities: These are contracts between individual investors and insurance companies, where investors agree to pay an allocated amount of premium and at the end of a predetermined fixed term, the insurer guarantees series of payments to the insured party (Economy Watch, 2010).

Grameen foundation’s approach to serving the unbanked

Grameen Foundation established in 1997 with a bold charge from microfinance pioneer Professor Muhammad Yunus, founder of Grameen Bank and winner of the 2006 Nobel Peace Prize, to spread the principles of microfinance beyond the borders of his native Bangladesh. Just as Grameen Bank has done, Grameen Foundation has moved beyond the basic principles of microcredit to develop and provide a full range of financial-services solutions to both poverty focused organizations and the poor people they serve.

The poor have very unpredictable financial lives. Their income arrives in irregular increments and they struggle to build assets, leaving them vulnerable to financial shocks. These households need access to financial tools to allow them to manage risk; build assets; accumulate usefully large lump sums; and manage daily household cash inflows and outflows. Because of their precarious situation and unreliable income, the poor need financial services even more than the non-poor so as to survive from day to day. Formal financial tools to address these needs are unavailable to more than one-third of the world’s population – 2.5 billion, and where the tools are available, they are often not well suited to the needs of clients (grameenfoundation.org)

Marketing

In a narrower business context, marketing involves building profitable, value-laden exchange relationships with customers. Hence, marketing is defined as the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return (Kotler and Keller, 2009).

Markets

The concepts of exchange and relationships lead the concept of a market. A market is the set of actual and potential buyers of a product or service. These buyers share a particular need or want that can be satisfied through exchange relationships.

Marketing means managing markets to bring about profitable customer relationships. A great deal of work, however, goes into creating these relationships. Sellers must search for buyers, identify their needs, design good market offerings, set prices for them, promote them, and store and deliver them. Activities such as consumer research, product development, communication, distribution, pricing, and service are core marketing activities.

The need for marketing financial services

Kotler and Armstrong (1987) defined a service as any activity, benefit or satisfaction that is offered for sale. It is characterized by intangibility, inseparability, variability and
perishability. Services are intangible; they cannot be soon tested, felt, heard or smelt before they are bought. Stanton (1981) posited that service providers can only improve their clients’ confidence by increasing the services tangibility. Services are inseparable from their providers; they cannot be put on the shelf and be bought by customers whenever needed. The service provider must be present. Services are variable; their qualities depend on who provided them, when and where they are provided.

Finally, services cannot be stored and it gives them perishability features. But the perishability of services cannot be a problem when demand is steady, thus it is because it is easy to store the services in advance. When demand fluctuates, service firms have problems (Stanton, 1981). Bank services can be divided into two broad categories; banking services and corporate finance services. However, there is no hard and fast rule as to this division. Rather it is a question of choice to suit bank management and objectives, which of these pigeon-holes a service falls into depends on the bank and nature of services provided for client and considerable inter-relationship of the services. For example, Whilst ICON (Merchant Bankers) classified project finance as a corporate finance service, NAL Merchant Bank Limited placed it under banking service.

Marketing of financial services is also essential because previous studies have shown that even in advanced countries, such as Britain and the USA, there is a marked lack of awareness among both customers and non-customers (both corporate and personal) about the services provided by Banks (Nwankwo, 1987).

According to Nwankwo (1987) the Bolton Committee on small firms in the United Kingdom, for instance, reported in 1971 that it is unfortunately that small businessmen, and to some extent their professional advisers, have a lamentable ignorance of the resources available to meet their financial needs. If this is so in the developed countries, the position in developing countries like Nigeria can be better imagined than described.

Marketing of banks financial services is essential not only because of the existence of competitors from other banks, but also from other financial institutions like insurance companies, building society, formal and non-formal financial houses. Also, it is an open secret that Nigeria is under-banked with over 50% of currency outside the banking sector compared with some 10% in some developed economies (Nwankwo, 1987).

Bank marketing and the marketing concept

Marketing according to Kotler (1998) is a social and managerial process by which individual and group obtain what they need and want through creating, offering and exchanging products of value with others. This definition of marketing rests on the following core concepts; needs, wants and demands; products or goods, services and ideas, value, cost and sales fraction, exchange and transaction, relationships and network, markets and marketers and prospects.

Marketing may also be defined as a management process which identifies, anticipates and satisfies consumer requirement profitably (Nwankwo, 1987).

Contained in this definition is both a concept and series of techniques. The concept places the customer in the forefront of the corporate thinking while the techniques permit the concept to be successfully, economically and profitably implemented.

Ladipo (1980) defined marketing as the distribution of goods and services from the producer to the ultimate consumer. Cole (1982) saw marketing as the only function of management which has to be more concerned with what is going on outside the organization than with what is happening internally. In their definition which is distinctly action-centred and managerial in approach, the institute which organizes and directs all those business activities involved in assessing and developing customer purchasing power into effective demand for a specific product or service, and moving the product or service to the final consumer so as to achieve the profit target or other objective of the company (Uppal, 2010).
Key factors in marketing financial services

Several factors influence successful marketing of financial services. According to Kumari (2012), the following factors could be used to diagnose potential areas for improvement:

**Unique Selling Proposition:** A fundamental requirement for marketing financial services is to possess a unique selling proposition (USP). A unique selling proposition reflects the one attribute that a financial services provider must possess that makes it uniquely superior to its competitors. A well carved USP targeted at the unbanked group will direct them to make choices that meet their needs.

**Target Marketing:** Successful financial services advertising require that the product or services being promoted are designed in such a way that they are relevant to the targeted market. This is especially true in financial services marketing since consumer needs in financial services significantly vary from one consumer to the other.

**Direct Marketing:** Financial services marketing has recently become more reliant on the use of direct marketing techniques, reflected in an array of activities such as direct mail, direct e-mail, direct response advertising and telemarketing. These forms of advertising are uniquely capable of initiating personal communications between the financial services provider and potential or existing customers. Direct marketing serves multiple objectives: it helps facilitate contacts with the consumer and may motivate consumers to take further action by requesting additional information related to the service being marketed. By doing so, direct marketing allows one to separate serious leads from the less likely prospects so as to prioritize selling efforts. For certain types of financial services, in which customization and personalization of products are typical such as insurance, investment services, home mortgages, etc. it is critical for direct marketing to be integrated with follow-up sales procedures in order to ensure maximum results (Kumari, 2012).

The challenges of marketing financial services

The marketing of financial services is a unique and highly specialized branch of marketing. The practice of advertising, promoting, and selling financial products and services is in many ways far more complex than the selling of consumer packaged goods, automobiles, electronics, or other forms of goods or services. The environment in which financial services are marketed is becoming more competitive, making the task of marketing financial services increasingly challenging and specialized. Financial services marketers are challenged every day by the unique characteristics of the products they market. For example, often financial services cannot be visually communicated in advertisements as easily as consumer goods can (Uppal, 2010).

Furthermore, the relatively unexciting nature of financial services, according to Uppal (2010) makes the task of attracting consumer attention and inspiring consumer desire a difficult one. However, the study of financial services marketing is in many ways far more fascinating than other areas of marketing. There are many predictable behaviors that consumers often exhibit in their dealings with financial services providers. The predictability of these behaviors and the abundance of data on existing and potential customers enable a uniquely scientific approach to developing and executing successful strategies for the marketing of financial services, much more so than in other markets.

Methodology and organizational profile

Research paradigms

Research paradigms, according to Sanders et al (2007) is a technique of examining social phenomena from which particular understanding of these phenomena can be gained and explanations attempted. This study made use of structured questionnaire in which respondents were asked to answer the same set of questions in a predetermined order. In analyzing the data, the study made use of Statistical Product for Social Science (SPSS) and Microsoft Excel software to generate charts and graphs to give meaning to the research findings.
Research design & research population

The researchers employed a combination of primary and secondary data in its analysis. Sampling technique was used to select branches and clients. The research population consists of selected clients of AKRB in some selected branches in Ghana. According to available data, there are a total of 15,574 clients in the five selected branches of the Bank, as of December, 2012. Out of this, Santase Branc has the highest number of 3737, representing 24%; Tafo has 3460, representing 22%; Krofrom has 3354 (22%); Atonso 2952 (19%); and Pakyi has 2071, representing 14%.

Sample size and techniques

The population is the complete set of individuals (subjects), objects or events having common observable characteristics in which the researcher is interested (Saunders et al 2007). The relevant population for this study is the loans clients of the bank and also some management and staff member. This consists of clients and staff from five branches of AKRB namely; Santase Branch, Tafo Branch, Krofrom Branch, Pakyi Branch and Atonos. According to Saunders et al., (2007), identification of the relevant population is essential since data collection can be a costly exercise and contracting a large number of people who would have nothing to do with the survey would only waste the limited resources.

The estimated population at the time of study within the five branches was 15,574 clients comprising 88.78 percent of women with the remaining 11.22 percent being men.

The sample was selected from the population of 15,574 clients from the five branches of SAT. It was about budget and time constraint that advised the use of the sample.

The five branches are located in four regions of Ghana. Cluster sampling was employed to ensure that each branch is adequately represented.

Data collection

The main sources of data collected for this study were from a primary source; AKRB loan clients and AKRB staff. Data collected include, clients’ business cash flows, family income, clients’ sources of funds, clients’ impression about banks/microfinance, innovative approaches in lending, clients’ transformation data, etc and these data were collected based on the objectives of the study as stated in the introductory chapter. According to Brinkerhoff (1983), data collection means gathering information to address the critical questions that had been identified earlier in the study.

The data were obtained using interview guide designed to answer the research questions. The study gave a serious thought to the wording of individual questions so as to ensure that respondents answer objectively to the questions in the guide. Conscious efforts were made to frame questions that asked for only one piece of information at a time and that sought for the exact level of details or essential details from the respondents. The guide was in the open-ended format for all respondents. The open-ended questions or guide gave respondents the opportunity to elaborate and provide detailed answers. The secondary data for empirical analysis were derived from annual reports, organizational journals, operational manuals, and other relevant market information to enable the study analyses a success.

Data analysis

The research adopted both qualitative and quantitative tools to interpret and analyse the data. After gathering all the completed copies of questionnaire from respondents, total responses for each item were obtained and analysed. Results of the key variables were then generated in tables and appropriate charts using Statistical Package for Social Science (SPSS) software and Microsoft Excel. The study employs some analytical tools such as the likert scale, use of mathematical statistics such as mode and averages to analyse the findings of the research.

Validity of the data was improved by allowing several people to review the data collected. In view of the nature of the study, and in line with Goodwin et al., (1997)methodology, the
study assessed the validity first by sending a summary of findings to some management members of AKRB and clients for their comments and suggestion. Their suggestions were subsequently incorporated in the study.

**Research working definitions**

Some of the key words used in this research work are defined below:

**Low income earners**

Low income earners refers to the group that earn less than average; having a relatively small income, or people living on a relatively small income. (Microsoft Encarta, 2009).

**Microfinance**

Microfinance constitutes the wide range of services and programmes designed by institutions to address the challenges and needs of the growing demands of low income clients of such institutions.

**Microcredit**

Microcredit refers to small loans advanced to micro entrepreneurs as working capital for business expansion.

**Unbanked**

The word unbanked is an umbrella term used to describe diverse groups of individuals who do not use banks or credit unions for their financial transactions. It is commonly used as an umbrella term to describe diverse groups of individuals who remain outside the banking mainstream for many reasons.

**Findings and discussion**

**Measure of extend of agreement of respondents**

Five point likert scale was used for the analysis as shown below:

1 --- Strongly Disagree, 2 – Disagree, 3 --- Uncertain/Neutral, 4 --- Agree and 5 --- Strongly Agree

Mean measures the average response in a collective manner to each factor given by

$$\mu = \frac{1}{N} \sum_{i=1}^{j} y x_i$$

Where $y$ is the number of respondents agreeing to the factor, $j$ is the total number of extent of agreement or disagreement, $N$ is the total number of respondents involved in the response, and $x_i$ is the assigned weight to the level of agreement or disagreement.

**Customers’ response**

Various responses were solicited from the customers of the institution to seek their views on the marketing of financial products to the unbanked populace. Varying information was solicited to help in determining the main marketing communication strategies on the profitability of the financial institution and effectiveness on the customers.

**Table 4.1**: Marketing Communication Strategies to win the unbanked group

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<thead>
<tr>
<th>Factors</th>
<th>Average</th>
<th>Std. Dev.</th>
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<tr>
<td>AKRB cares about my satisfaction and business growth</td>
<td>4.278</td>
<td>0.934</td>
</tr>
<tr>
<td>I am always aware of the products the bank offers</td>
<td>2.159</td>
<td>1.063</td>
</tr>
<tr>
<td>I feel intimidated approaching banks or financial institutions for a service</td>
<td>2.338</td>
<td>1.053</td>
</tr>
</tbody>
</table>
I feel intimidated approaching AKRB for their product/service 2.695 1.154  
People do not bank because they do not trust or have confidence in financial institution 4.294 1.075  
I don’t bank because I don’t trust financial institutions 2.437 1.376  
The Bank’s tailored-made product/services to reach the unbanked population is not enough 3.545 0.257  
I am satisfied with AKRB’s products 4.052 1.544  

Sources: Author’s field work, June, 2013

The study revealed that there was a collective agreement on marketing strategies from the perspective of the customers of which all recorded an average mean of more than 4.0, which indicates a high level of acceptance of such practices being carried out by AKRB. This throws light on the day to day activities of the institution which was in total agreement according to the customers’ perception of the delivery of the institution’s products to them. This includes the fact confirmed by the customers on the care, customer satisfaction and growth. However, respondents also agreed that ‘People do not bank because they do not trust or have confidence in financial institutions’. It was indicated that the customers were very satisfied with the products of the bank. For the bank to win the trust of the many unbanked who lack confidence and trust in financial institutions, a lot more has to be done by means of aggressive one-on-one marketing communication.

Table 4.2: Reaching the Unbanked via the appropriate Communication Medium

<table>
<thead>
<tr>
<th>Factors</th>
<th>Average</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I read newspapers and listen to radio for information about new products of banks and financial institutions</td>
<td>3.488</td>
<td>0.648</td>
</tr>
<tr>
<td>I am willing to patronize a bank’s product/service when they reach me face-to-face rather than through radio and television and other means</td>
<td>4.084</td>
<td>1.064</td>
</tr>
<tr>
<td>Positive word of mouth influenced me to become a client of Sinapi</td>
<td>4.534</td>
<td>1.448</td>
</tr>
<tr>
<td>AKRB considers our views and suggestions in developing their products</td>
<td>4.073</td>
<td>1.845</td>
</tr>
<tr>
<td>Banking services are made easy and accessible to the unbanked population</td>
<td>2.495</td>
<td>1.453</td>
</tr>
<tr>
<td>Products/services are developed regularly to meet the needs of the unbanked population</td>
<td>3.072</td>
<td>1.546</td>
</tr>
<tr>
<td>I find it difficult accessing financial services</td>
<td>2.639</td>
<td>1.469</td>
</tr>
<tr>
<td>Accessing loan products is a challenge because of my inability to meet the criteria</td>
<td>3.185</td>
<td>0.835</td>
</tr>
</tbody>
</table>

Sources: Author’s field work, June, 2013

In accessing for information on new products and services, few respondents indicated that they rely on newspapers for information. However, there was clear indication that the majority of the respondents or clients was willing and would readily patronize financial products if service providers would reach out to them by means of personal selling campaign and a positive word of mouth which is influential than the media. It is therefore not surprising that some financial institutions come to the market, persuade some of the market women by means of personal selling to transact business with them and at the end, dupe the poor traders by bolting away with their hard earned cedis and pesewas. Well meaning and genuine financial institutions whose credibility can be trusted, such as the bank should therefore see this as a wake-up call to meet every financial need of these vulnerable traders. Daily Susu products, etc. should all be readily made available at the doorstep of the unbanked.

The readiness of the customers to access products through personnel interaction of the bank is because of the views and suggestions the financial institution sought for in the development of its products.

Nevertheless, of the extent of agreement on some of the strategies of the institution by the customers, they were of the view that they are not always aware of the products Sinapi offers,
which shows consistent view of the disagreement among the sample selected for the study. Again, majority also indicated they felt intimidated approaching banks and or financial institutions for services. Other respondents indicated that they didn’t have confidence in banks.

**Response from staff and management**

Responses were solicited from the staff and management of AKRB as well on the availability, accessibility, etc of the products and services to the unbanked populace.

**Table 4.3: Perception of Financial Products**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Average</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel to be part of this company</td>
<td>4.674</td>
<td>0.265</td>
</tr>
<tr>
<td>I am proud to tell people I work for AKRB</td>
<td>4.493</td>
<td>1.471</td>
</tr>
<tr>
<td>I am always aware of the product/services the bank offers</td>
<td>4.21</td>
<td>0.637</td>
</tr>
<tr>
<td>Product/Services are developed regularly to meet the needs of the unbanked</td>
<td>4.338</td>
<td>1.643</td>
</tr>
<tr>
<td>Banking services are made easy and accessible to the unbanked population</td>
<td>4.285</td>
<td>1.559</td>
</tr>
<tr>
<td>Service delivery has largely improved as a result of marketing communication</td>
<td>4.047</td>
<td>1.766</td>
</tr>
<tr>
<td>I am satisfied with the products/services the bank offers</td>
<td>4.1</td>
<td>740.534</td>
</tr>
<tr>
<td>The bank does not consider the views and suggestions of their clients in their product development</td>
<td>2.046</td>
<td>2.463</td>
</tr>
</tbody>
</table>

*Sources: Author’s field work, June, 2013*

Evidently, staff and management members indicated their strong attachment to being part of the organization which saw a high average score of 4.674 and specifies their strong agreement as being part of the company. Their feeling proud to tell people they work for the bank underscores this, as it recorded a mean score of 4.493. Contrary to perspective of customers, while management and staff indicated that products and services are made easy and are accessible to the unbanked populace and that products are developed regularly to meet the needs of the unbanked group, which has been largely improved as a result of marketing communication, the unbanked group also indicated their preference for one on one personal selling of products and services.

Besides, management and staff members were found to be satisfied with the products/services AKRB offer to its clients, which was agreed upon by all staff sampled for the study. However, they disagreed that, the views and suggestions of clients were not sought for in the development of new products. That is to say, they held that products and services were not brought to the market without the inputs of their target market.

**Table 4.4: Marketing Strategy of AKRB**

<table>
<thead>
<tr>
<th>Factors</th>
<th>Average</th>
<th>Std. Dev.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel marketing research forms part in the design of marketing strategy at AKRB in reaching the unbanked population</td>
<td>4.31</td>
<td>51.642</td>
</tr>
<tr>
<td>I feel marketing research forms part in the design of products at the bank in reaching the unbanked population</td>
<td>4.057</td>
<td>1.101</td>
</tr>
<tr>
<td>AKRB adopts marketing communication tools such as personal selling, direct marketing etc. in marketing its products to the unbanked population</td>
<td>4.285</td>
<td>1.066</td>
</tr>
<tr>
<td>Positive word of mouth helps AKRB in the marketing of its products/services</td>
<td>4.024</td>
<td>1.508</td>
</tr>
<tr>
<td>People do not bank because they do not trust or have confidence in financial institutions</td>
<td>3.276</td>
<td>1.477</td>
</tr>
</tbody>
</table>
AKRB’s tailor-made products/services to reach the unbanked population

<table>
<thead>
<tr>
<th>Rating</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.686</td>
<td>0.633</td>
</tr>
</tbody>
</table>

The Bank sees untapped opportunities in the unbanked market

<table>
<thead>
<tr>
<th>Rating</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.063</td>
<td>1.736</td>
</tr>
</tbody>
</table>

Sources: Author’s field work, June, 2013

Staff members in the institution believed that, marketing research forms a major part of the drawing of a marketing strategy in the institution in reaching the unbanked population and this was agreed upon by most of the staff respondents with an average of 4.315. The marketing research was also found to be an integral part of the formation or development of product and services of the company. The employment of marketing communication tools such as personal selling in order to reach the unbanked population was found out to be a very effective tool for the organization.

It was also confirm as shown in Table 4.4 that, positive word of mouth which the organization relies on so much to sell its products was very primal tool in convincing the unbanked group. The study again discovered that, the staff believed there were untapped opportunities in the unbanked populace. However, they disagreed that their products targeted at reaching the unbanked was not enough. Many of the respondents were mainly neutral as to the level of confidence the unbanked people have in financial institution as shown in Table 4.4 above.

Summary, conclusions and recommendations

Attitude of customers towards accessing financial products

The study found that information on financial products and services reached the target audience through advertisement as was the view of some of the respondent. However, the willingness of the customers to patronize the products and the services of a bank was found to be through personal selling, as most of the respondents indicated, that a positive word of mouth influenced them to become clients of Atwima Kwanwoma Rural Bank Limited (AKRB). This finding is a confirmation to the fact that some of the unbanked group feels intimidated approaching banks and some financial institutions to access a service. This is a testament to the fact that some of them have low confidence and little trust in financial institutions.

Perception of Customers on Products and Services of AKRB.

The study found that even though there are several products and services of the bank which are tailor-made, aimed at reaching the unbanked populace, little is heard about the existence of those products. This revelation, first of all underscores to the fact the unbanked normally feel intimidated approaching financial institutions of which Rural Banks are inclusive to make inquiries and ultimately, subscribe to such financial products. Secondly, it can be attributed to the fact that little or no effort is being made with respect to publication of the myriads of products AKRB has for sale.

Perception of staff on service/product delivery of AKRB

The study found that staff members were proud as employees of the institution since they felt to be part of the company. That notwithstanding, they disagreed with the customers/respondents on grounds that, banking services are made accessible to the unbanked population; while the unbanked populace held that it was uneasy for them accessing the service, the service providers thought otherwise.

Moreover, whilst customers indicated in their response that the kind of service being delivered to them by the bank wasn’t enough, and could be improved upon, staff members were of a different view, that they were very satisfied with the services they render to their clients.

Marketing strategy of AKRB

The study found that, the staff of the bank mostly combined different marketing strategy to reach their target market, most of who fall under the unbanked category. These strategies
include personal selling and direct marketing. In addition, marketing research was found to be part of the design and the marketing strategy AKRB employs to market its products and services.

**Conclusion**

Using different marketing strategies to reach the unbanked in order to expand the market share, thereby improving upon profitability of the organization is a measure to sell the products and services of the organization to the unbanked populace. The study found that the unbanked group feels intimidated in approaching financial institutions or commercial banks to access financial products/services.

Again, personal selling and positive word of mouth was found to do the trick in convincing prospects to subscribe to a product.

In addition, there are untapped opportunities among the unbanked population that can be cashed in on by AKRB. The study revealed that a number of people are ready and willing to subscribe to all kinds of financial products, provided financial service providers will come to ‘their level’ for a mutual benefit transaction.

**Recommendation**

The following recommendations are made to help improve upon how the organization can improve its profitability through the marketing of its products to the unbanked population:

- It is recommended that mass education through an integrated marketing communication approach on the services and products on offer by rural Banks will bring to the doorstep of the unbanked population the awareness of such products rural banks offer. This will increase their customer base and profitability.
- It is recommended that rural Banks should also increase their visibility and brand value to make them more attractive.
- It is also recommended that AKRB prioritizes the personal selling and the direct marketing strategies.
- The sales force of the rural bank need adequate training on selling and relationship management skills.

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Sustainable Innovations-Design Approach & Improvements

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Abstract

Sustainable business & innovations are need of future generations. This paper aims at filling a gap, the gap between the high-level vision of sustainability and innovator’s and designer’s everyday work in creating new technical artifacts, services, and businesses. The concepts of sustainability are reviewed in the light of established product development processes, as well as with regard to a number of current proposals for integrating sustainability in innovation processes. The paper describes a framework for the front end of innovation. This framework is capable of reconciling the different notions of sustainability; simplified: “profit, people, and planet”. A case study of a sustainable innovation is presented.

Keywords: Sustainability, Innovations, New sustainable innovations & approach, Design changes.

1. Sustainability

Sustainability, like ‘future’, is being used inflationary; often as a mere buzzword by politicians and corporate managers. The designation ‘sustainable business’ e.g. may mean a business with a positive social bottom line or simply a business that is expected to deliver a positive cash flow over a prolonged time, dependent on the speaker. Moreover, when talking about innovations, a sustaining innovation is one that does not require the acquisition of new competencies or changes to the current business model (Christensen 2009) but lives entirely within the conditions previously established.

According to McGrail (2011) “desirable futures are increasingly seen as sustainable futures”. To pick out just a few important historic milestones, the concept of sustainability -its dystopian genealogy -reaches far back. E.g. to Rachel Carson’s (1962) book “Silent Spring” that helped starting the environmentalist movement to which the term sustainability is still closely linked. Another widely regarded milestone was Meadows’ et al. (1972) report “On the limits to growth” to the Club of Rome. But it was not before the Brundlandt Commission in 1987, that a positive definition of sustainability was established. The term of “Sustainable Development”, defined as a “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.” (World Commission on Environment and Development 1987) became known to a larger audience by that time. Given that the use of a technical artefact is largely dependent on human intention and societal context and only partially determined by the design (de Vries, 2005:14-25), it is this social understanding of sustainability that poses a serious challenge to designers and engineers. This challenge is how to embody “sustainability” in a product, create the functionality wanted without the side-effects unwanted.

Hayward (2005:282-283) links the concept of sustainability to the (individual’s) ability for post conventional foresight: “Environmentalism itself may be the expression of a nascent social form of post conventional foresight. ... Environmentalism’s catch cry, ‘sustainability’, is strikingly abstract and rarely is it made explicit exactly ‘what’ is to be sustained. ... Social foresight would have to chart pathways of action through multiple assessments of consequence as it is unlikely that a consequence ‘free’ pathway of action can be found.”

In broad outlines, the approaches towards sustainability on the design side fall into three overlapping groups. The first is (eco-) efficiency, doing the same as before with less impact on
the environment (this is the current sustainability mainstream: numerous corporate and political energy / water / materials etc effectiveness campaigns bear witness to this fact). The second group is (eco-) effectiveness with closed circulation of all technical and natural materials modeled after nature's ecosystems (e.g. McDonough & Braungart, 2002 or Pauly, 2011). The third group of approaches fits under the headline sufficiency: Doing and having less (especially material wealth and economic growth) but enough for a decent living and a focus on non-material human needs. It appears that the advocates of sustainability are separated by a common language.

With regard to technology the available descriptions (e.g. Vergragt, 2006; Schumacher, 2010; Raskin et al. 2002) of sustainable (appropriate, etc.) technologies in a wider sense are normative and, from an engineer's standpoint, too abstract. They do not present enough guidance for designing such technologies easily and within the established standard engineering processes. The next section will underpin this by reviewing the process perspective of corporate technology generation.

2. Design processes in engineering

In this paper, the reference process described in VDI 2222 is chosen as an exemplar of a linearly proceeding and also widely established product development process (PDP). It is the PDP generally accepted in German industry and taught widely in universities. The successive steps (phases) towards a “product” according to VDI 2222 are:

1. Product planning and clarification of the task;
2. Conceptual design;
3. Embodiment design;
4. Detail design.

Another very common approach is the Stage-Gate™ process (Cooper, 2003), emphasising so called gates: Decision meetings in which the product development projects are reviewed and a go/hold/kill/recycle decision is made. An overview of more process models is given by Andreassen (2005).

All of the approaches mentioned share the taylorist separation of planning and execution. Planning precedes design and design precedes manufacturing. The high cost involved in commissioning factory equipment provides a strong economic justification for this separation. In a business enterprise, this separation is mirrored too in departmental boundaries between e.g. sales/product management/ marketing on one and R&D / Manufacturing on the other hand with people trained in different academic disciplines and socialised in different departmental subcultures. While the first functions task is to specify a product, the latter design and realize it “in time, in budget, in spec”.

The most important documents in any PDP are the specifications. In the planning phase, the expected demand for the product in the markets targeted is described and restrictions for the design determined. The functional specification is being written in the early conceptual design phase. At this stage, the functional specification gives a solution-independent description of the technical (!) function and expected performance of the artefact (in most cases a product) to be designed. The functional specification answers the question “What is to be designed?”. The later conceptual design phase then focuses on creating alternative technological options for realizing these functions and selecting these according to mainly economic criteria. Engineering design proper takes the functional specification and creates a technological artefact with the specified functions by splitting up the overall function into partial functions, finding technical solutions for each of these partial functions, and synthesizing the whole system out of these partial solutions. This concrete technological artefact is then described in the technical specification. It answers the question: “How is it designed?”. After conceptual design is finished the concept of the product is frozen. Only detail at the technical and part-level is being added from now on. Changes to the product’s principle and features are made rarely.

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3 Planen, Konzipieren, Entwerfen, Ausarbeiten -translation according to Pahl & Beitz: 1993
given the high cost involved in propagating any change through all affected partial functions and their concrete principles and technical instances. It is therefore clear that with regard to economic and pragmatic criteria engineering and manufacturing businesses need an ex ante approach to consider all relevant aspects of sustainability upfront. It is desirable to have sustainability considerations integrated into the PDP as early as possible. Ex post regulation or procedures directed at technologies after their creation and introduction to the market (like technology assessment) is desired least as any ex post approach may trigger changes to a finished product that come at a very high cost for the manufacturer.

Furthermore, the more radical the innovations planned are, the less they can be anticipated from outside the corporation, and the less they are accessible to ex post approaches. Given that many of today's companies consider themselves being in a global innovation-race with their competitors, the probability for radical innovations is increasing, therefore the options available for ex-post approaches and societal (often nation-state level) oversight over innovation are decreasing further. Moreover, plans for new products, their technical and other details are most commonly strictly confidential because new products regularly aim at maintaining or increasing a firm’s competitive edge. They are therefore inaccessible to outsiders. All of the aforementioned facts suggest that the best place for reconciling of the sustainability’s and anticipation of intended and unintended side effects is the product planning and design process of the enterprise.

3. Proposals for sustainability-aware innovation processes

Proposals made to the end of integrating sustainability criteria in innovation processes (Krämer, 2011; Fichter, Paech & Pfriem (Hg.), 2005; Pfriem, Antes, Fichter et al. (Hg.). 2006.) suggest measures that can be understood as ‘structural deepening’ (cf. Arthur, 2009:131-144) of the currently established innovation processes by adding new tools to the phases and adjusting selection criteria at the gates to create the new/added functionality required on top of the established innovation processes. But, according to Paech (2005:259-292), these changes to details of an established innovation process will have only minor impact, unless the corporate value system and the culture changes.

According to Nassehi (2011), economic entities function according to economic purposes and therefore ask one major question only with regard to sustainability: Can we earn money with it? But what would be required by the aforementioned proposals for modified product development processes and improved selection criteria is that these economic entities adopt – at least in part – a non economic logic. Will that work in practice? How for instance will the gatekeepers in a stage-gate process deal with a new multidimensional evaluation of innovation projects including sustainability criteria? Will a sustainable but not-so-profitable innovation still be pursued once the question: “What will our shareholders say?” was raised in the boardroom? Won’t the dominant economic simply persist and wipe away the "sustainable" criteria? Is a CEO that is measured against quarterly performance in monetary terms likely to enforce sustainability induced changes that reduce profitability – even if this is a societal demand? There is no way but to reconcile these perspectives. The innovator’s and engineer’s question therefore is: “Can we design the well being of nature and future generations into profitable products?” Or, at an operative level: “Is it possible for sustainability to enter the design process at the right place: The functional specification?”

4. Can we engineer sustainability?

The answer to the question is yes, if the first group of approaches towards sustainability (eco efficiency) is taken into account; if e.g. compliance with environmental regulations is demanded. Currently established design-to-X procedures (many of which are described in the engineering textbooks e.g. Pahl & Beitz, 1993) are sufficient to accomplish this goal.

Ironically, the shareholders demanding double-digit returns are – via pension funds – in part identical with the very stakeholders that demand sustainability in other contexts.
The answer is yes and no for the second group of approaches (eco-effectiveness). McDonough & Braungart (2002:165-186) provide five steps and five abstract guiding principles – on as little as 10% of the book's pages. The bridge to standard everyday engineering is largely missing. So, currently technologists or engineers whether in corporations or research know only minute parts of what is required and responsibility is diluted in the complex system a modern corporation is.

With regard to the third group of approaches (sufficiency), currently the answer is most probably no. Engineers don't know how to design sufficiency with the processes and structures established. Moreover, with regard to innovation management, sustainable innovations at the stage of sufficiency clearly require radical, not sustaining innovations.

In any of the aforementioned cases, a demand for sustainability cannot be satisfied without taking into account the corporate context and larger system(s) the product to be designed will enter.

5. General corporate context

Corporate R&D is organized in a hub-and-spoke model with most of the hubs in Local locations and a few abroad. The corporate mission statement includes the economic notion of sustainability; to “... achieve sustainable, profitable growth ...” The company supports the principles of the UN Global Compact.

Corporates position in the value chain is primarily that of a second tier manufacturer of standardized and engineered components that become often critically important parts of larger technical entities such as power stations, buildings, plants, or trains. This position creates a quite complex social system on the demand side. With regard to innovations, not a single buyer or "consumer", not even a buying center but a business system with consultants, engineers, intermediaries, and other parties directly and indirectly involved is defining aspects of acceptability outside the scope of marketing or engineering. This created from the year 2000 on an increasing need for considering the larger social business-system. This need was an important co-factor in the creation of the framework described in the next section.

6. A framework for business opportunity scanning (BOS)

As a first step towards a methodology for designing sustainable innovations, the framework for business opportunity scanning (BOS) developed mostly by the author at KSB AG is proposed. In BOS, the term scanning means scanning an idea for its hidden or true potential, like in a modern imaging diagnostic apparatus e.g. a computer tomography. It is not to be confused with the 'scanning for' in trend-based ideation. The term framework is used to highlight that BOS is targeted ‘one level up’ from the many descriptive methodologies (how to write scenarios; how to do market research) in business, the futures field, and product development processes. It aims at designing innovations – not at designing artefacts. Framework also means that individual methods may be substituted for other methods with the same aim.

7. BOS as instance of the futures studies framework

This section highlights the key-features (cf. Table 1) of BOS using the futures studies framework (cf. Fig. 1) by Keller (2009).
While BOS is pragmatic by necessity, every part of it has a solid ground in established methodologies and science. The main ingredients – so to speak – of BOS are approaches from futures studies, especially multi perspective methodologies (e.g. Linstone’s (2002) technical, organisational, and personal (TOP) perspectives), systems thinking (cf. Gharjedaghi. 2004.). The very foundation of the framework is an understanding of futures studies “as an ‘action science’ dealing with ‘images of the future’” (Voros 2007) where accomplishment takes precedence over knowledge, similar to engineering, many of the social, and the medical sciences (cf. König 2006:85).

Table 1. Description of the futures studies framework’s elements. Source: Author

<table>
<thead>
<tr>
<th>Element</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purpose</td>
<td>Why the study is being made, the expected contribution, including</td>
</tr>
<tr>
<td></td>
<td>the stakeholder’s (especially sponsor’s) expectations.</td>
</tr>
<tr>
<td>Objectives</td>
<td>What the expected outcome of the study and the deliverables are.</td>
</tr>
<tr>
<td>Integration model</td>
<td>The mode of operation ‘next level up’. A model that integrates all</td>
</tr>
<tr>
<td></td>
<td>of the other elements. In Futures Studies the integration model typically</td>
</tr>
<tr>
<td></td>
<td>is systems thinking or action research rather than empiricism.</td>
</tr>
<tr>
<td>Procedure model</td>
<td>Process-steps, how the time for the study is structured.</td>
</tr>
<tr>
<td>Knowledge model</td>
<td>How structuring and ordering of knowledge happens, the ontology at work.</td>
</tr>
<tr>
<td>Methods</td>
<td>Methods are sequenced by the procedure model and create knowledge into the</td>
</tr>
<tr>
<td></td>
<td>knowledge model. They are the bridge between content and doing in the study.</td>
</tr>
<tr>
<td>Management model</td>
<td>How the project itself is managed, progress is traced etc. e.g. by “classical”</td>
</tr>
<tr>
<td></td>
<td>Project Management or more modern methods like SCRUM.</td>
</tr>
<tr>
<td>Politics Model</td>
<td>How power is being handled in the project. Most important: is the project</td>
</tr>
<tr>
<td></td>
<td>designed to fit in existing structures or to challenge them?</td>
</tr>
</tbody>
</table>

Most important, BOS does not touch the established management model (project management) and politics model (Stage-Gate). It is compatible with existing corporate structures.
The procedure model chosen is the generic foresight process framework (GFPF) by Voros (2003) with its emphasis on interpretation was selected as the underlying approach and topmost procedure model for the BOS framework.

![Diagram](image)

**Figure 2.** Cascade model of technology. Source: van Wyk 2004 with modifications by the Author

As the meta-model for knowledge organisation in the research part, the cascade model of technology by van Wyk (2004:39-41) provides an integral framework spanning the whole range of the socio-technical system, from materials and technical details to the society as a whole. (Fig. 2). For the BOS framework, this span is divided into the two “systems perspectives”: the business system and the technology system with the innovation to be designed at the intersection of these systems. The technology and business systems are influenced by the two “segmentation perspectives”: application and region (Fig. 3). The segmentation perspectives provide for an adequate scoping of the systems perspectives. Clearly, business in India, Europe is different from business in Japan (or in China, Arabia or wherever else), so the model of the business system has to be adapted to the region. On the other hand, the application, what the product is being used for, has also a large influence on the business system as different industries have established different procedures and have different needs. All study of these four perspectives is embedded in the study of the contextual environment with the long-term societal, technical, economical, environmental, and political changes.

The analysis is performed as desk-research, until a certain level of understanding is available, then interviews with representatives from the relevant roles in the business system add a further level of detail and understanding. The interviews are semi-structured with the four BOS-perspectives plus the context as a guideline for enquiry.

Two system-models are created for the business system. A structural model, showing the organisation and timing of a typical project in the targeted business system. A project is defined as the sequence of steps (e.g. Consult, Plan, Build, Operate, Service) involved in the creation of the final technical system (plant, building, ..) in which the innovation will be incorporated. This is at least “one level up” from the innovation i.e. the containing system. The structural model also incorporates all the roles (e.g. Consultant, Owner, Finance, Planner, Manufacturers of components, &c.) involved in creating this final technical system, how they work together, when they enter and leave the project, their scope and responsibilities, and their decision criteria (when is an innovation a ‘good’ innovation). The MACTOR method (Godet 2006:245-279) is used for creating the detailed actor model.
The conclusions from the MACTOR analysis allow valuable insights into the structure of the business system, which routes are feasible for entering the business, which actors are in favour or opposed of the innovation, what the prerequisites for diffusion of the innovation are, &c. Technology is viewed as a system subject to combinatorial evolution and structural deepening. (Arthur 2009) Relevance trees (The Futures Group 2003) structure the study of the technology system. The potential innovations are most likely embedded in further “onion skins of technology” with their corresponding compatibility requirements. Therefore, new as well as the currently available technologies are considered in depth. This often includes a detailed analysis of patent activities and research.

The technology analysis considers also (functional) substitutes from technological super systems or sub-systems. The maturity, feasibility and potential acceptance across the business system is assessed for every relevant technology.

The final step of analysis is the creation of scenarios from the knowledge acquired on the technological and business system perspectives. The time-horizon takes into account the relevant technical substitutions, length of technology life-cycles (up to 60 years in the corporate context of KSB), ongoing or expected changes in the business system, and the time required for the creation of an innovation by the firm itself.

The findings of diffusion research (Rogers 2003) provide a bridge between the insight gathered and the design of an innovation. Rogers (2003:15-16) gives a list of attributes of an innovation that allow to check ideas for business opportunities against the preferences and objectives of the relevant roles in the business system. This allows for a multidimensional and multi-actor analysis of success potentials and acceptance criteria within the business system for each possible innovation.

An iterative learning loop (Fig. 4) was chosen as the integration model for the innovation-design part, to facilitate the design of innovations that fit with the business system, anticipated technological developments and the enterprise. This learning loop, together with the richness of social analysis preceding it, enables to reconcile “people, profit, and planet”-the three pillars of sustainability in a unique way by designing suitable and acceptable innovations. The “one idea -one project -one product” paradigm at the basis of the process models for product development discussed above is abandoned in favour of learning and creativity. This creates a new paradigm for innovation processes; not “drowning the puppy” when an idea turns out inferior but first trying to elicit the full potential from it. Therefore, over the process of BOS, a business opportunity is changing and changed as further knowledge is acquired and more criteria for success become uncovered. It matures from idea to concept; gets merged with or spawns other ideas.

Figure 3. Sketch of the four perspectives of BOS. Source: Author
The link between the company and the business system is the business model (See Osterwalder & Pigneur 2010; Osterwalder 2004 and Stähler 2002 for an extensive discussion of this concept). It describes how the company participates actively in its business system. At this point, the perspective of the study changes from passive (scientifically informed) gathering of knowledge about the business system to designing an active role for the company. The business model therefore is an object of design also. It is expected to answer the question: How do we establish our company's contribution in the business system, where (in which role), and how is the company able to economically sustain the new business?

The competence tree (Godet, 2006:118-120) is used as a compact map of the current competencies, capabilities, and value propositions of the company. It allows determining the degree of change required by each of the business opportunities under consideration. The design process iterates, over the potential business opportunities recognised studying the four perspectives, especially the business system, and tries which business models are possible for the enterprise, given the current competence tree and the enterprise's potentials for developing its competencies and capabilities. A first estimate of the economic potential is performed also.

The flow of evaluation considers the business opportunity, competencies and impacts (monetary and non-monetary) on the enterprise. Typical questions are: Can the enterprise make a sustained profit out of the business opportunity? How much does this profit require the company to change? Is the change required justified by the potentials for learning and earning? Does the business opportunity fit with the anticipated changes in technology, business, and contextual environment?

The most relevant outcome of a BOS is the key-deliverables for the innovation project to follow. These key-deliverables typically fall into three groups: Technical key-deliverables (the technical part of the innovation -the 'product'); company-internal key deliverables (e.g. modifications to business processes or the ERP-system); and diffusion relevant non-technical key deliverables.

In one project, a key-deliverable of the latter category was to give a blueprint for a system using a new component away for free to help the system integrators adopt the new technology. Another project instituted a project-council with relevant stakeholders identified in the MACTOR analysis as a sounding board to help continuously checking the progress in the innovation project against the relevant expectations of these groups.
(Figure 5 - shows, the process reduced to a linear progression, confirming with management expectations and to enable the integration into the corporate product lifecycle process.)

8. Case study

For confidentiality reasons, the case study has to be restricted to a single instance of an innovation that is currently undergoing the field tests. The River-Turbine (KSB 2010) represents a new category of hydropower installations without transverse structures blocking the migration paths of aquatic species. A further positive side effect is that the flow velocities of straightened rivers are reduced. Figure 6 shows one prototype while being installed.

It is the only kind of hydroelectric power station that improves the environment and fulfils the requirements by the European Water Framework Directive. The prototypes were installed near the town of St. Goar on the river Rhine in the UNESCO world heritage of the middle Rhine valley; a region that also has the highest possible protection for a nature reserve as a Habitat Protection Area where any other hydropower plant is virtually unthinkable. The River-Turbine coexists with other uses of the river, namely as a waterway and is hardly visible from above the waterline. It emerges from the core-competencies of the company, especially hydraulic design and structural mechanics but, on the other hand, requires a deliberate creation of a new business model in a not yet established business system.

Further, according to KSB (2010) there is a market for ‘small hydropower’ internationally, for example in China, India or Russia, where the problem of supplying rural areas with electricity calls for creative solutions.

9. Conclusion

This paper demonstrates that corporations do not have to wait for sustainable innovations to happen (and sort out all other possible innovations in a funnelled process). The basic idea
behind the framework outlined is, that in order to do so, the process as to consider “one level up” from designing an innovative product i.e. designing an innovation according to a wider set of criteria than the techno-economic ones used predominantly today.

The case study shows an instance of a sustainable innovation achieved with this novel Framework for the front-end of innovation that allows reconciling the different notions of sustainability by designing an innovation. This framework currently exists in a small pocket within a global organization of 14,500 employees that targets the creation of highly innovative and future oriented projects.

References

A Study to Determine the Level of Satisfaction among the Nurses at Federal Medical Centre, Umuahia South East of Nigeria

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Abstract

Job satisfaction is one of the criteria of establishing a healthy organizational structure in an organization. Nurses are inseparable cornerstone of the health system. Job satisfaction of these nurses will affect the quality of career rendered in our healthcare centers. In this respect the question of how the elemental factors affect their level of satisfaction becomes important. This paper tried to examine the level of job satisfaction among the nurses.

This is a cross-sectional study conduct to determine the level of job satisfaction among nurses in their workplace. A total of 193 self administered questionnaire were obtained for data analysis. The subjects’ were selected randomly. Internal consistent reliability by Cronbach’s alpha coefficient test was 0.706.

The result showed that nurses job satisfaction is moderate-high. The null hypothesis for age and marital status was upheld at, age –p-value 0.8028 and marital status –P-Value 0.145. But for education P-Value <0.0001 and years of experience is P-Value <0.00001 too. The finding is important for understanding level of job satisfaction and are milestone to improve quality nursing care /services at the centre. It is recommended that management should be encouraged to sustain profitable policies to motivate the nurses.

Keywords: Job satisfaction, Nurses, factors of job satisfaction.

Introduction

Background

Job satisfaction is a concept that behavioral scientist have emphasized in recent years. It has important impact on organizational goal accomplishment, employee health and well being and more importantly to patient care. (Demur 2002)

Job satisfaction as a matter of fact is an important component of nurses’ lives that can impact on patient safety, staff morale, productivity and performance, quality of care, retention and turnover, commitment to organization and profession with additional replacement costs. (Saifuddin 2008).

Nursing is a component and the backbone of health care delivery system. High turnover and absenteeism often reported are related to job dissatisfaction, while low absenteeism is associated with high job satisfaction (Johnson and Johnson 2000; Murrels, Robinson and Maben 2008).

According to previous research, it is has been noted that job satisfaction among nurses is low or at most moderate. In Nigeria, the situation is not different, evidenced by the increased rate of industrial action and agitation for one thing or the other.

Conceptual framework

The conceptual framework of this study is based on Herzbegs two factor theory model. Job satisfaction stem from different sources certain factors lead to satisfaction when they are present and dissatisfaction when they are absent.

Herzbeg tried to expand the work of Maslow by developing a content theory of work motivation. Using the critical incident method of data analysis he reported that god feeling were generally associated with job experience and job content. Report good feelings were generally associated with job experience and job content and vice versa.
Figure 1: Model of job satisfaction

The content of the above model determines one's level of satisfaction at work. (Al.Hussani 2008, Adams and Bonde 2002).

As put by Mohamed, job satisfaction is characterized as multidimensional with six facets—satisfaction with supervisor, job variety, compensation, co-workers, and human resource and management policies. These factors determine the satisfaction a nurse perceives in his/her job and will be adopted in this study as measures for level used by Purani and Sahdi (2007).

Statement of problem

Shortage of nurses is a serious problem around the world which affects the standard of nursing care. In recent times, nurses are either leaving their job for greener pastures or changing career entirely just because of the discontentment of their nursing job.

Little is known about job satisfaction of nurses especially in Federal Medical Centre Umuahia. This lack of knowledge is problematic because there is a well-documented connection between job satisfaction and the well-being of nurses and patient/clients. Hospitals have generally been identified as a difficult place to work in: nurses burnout is common, litigation and bullying is on the increase, turnover is high. Furthermore, physical and emotional challenges that face nurses are almost notable.

In Federal Medical Centre, Umuahia, the story is not different. Since vital organization economic outcomes are related to work satisfaction, therefore the hospitals should assess levels of satisfaction with their organization. In this study various aspect of job satisfaction among nurses were examined.

Significance

Job satisfaction is a complex phenomenon recently acknowledged by the multiple variables. It has a negative relationship with intention to leave the job in severe cases. The main objective of any health outfit is to give quality care. To meet such goals the institution should strive to enhance quality and sustain it through having a dedicated and conscientious staff (Verplanken 2004).

However quality of care is still low and many factors contribute to it especially by job dissatisfaction.

Understanding about job satisfaction of nurses and influencing factors will help set up and develop appropriate strategies and programs not only leading to better job satisfaction of nursing work force but also increase their productivity efficiency and the quality of care which will improve patient satisfaction (Saifuddin 2008).

Research objective

To determine job satisfaction among nurses in Federal Medical Centre (FMC), Umuahia.
Specific objectives

1. To measure job satisfaction among nurses in FMC
2. To describe the socio-demographic factors of nurses in FMC
3. To identify the relationship between the demographic factors and nurses job satisfaction.

Research question

1. What is the level of satisfaction among the nurses in FMC
2. What are the determinant factors for job satisfaction among nurses in FMC

Limitation

The researcher used only a randomly selected sample of the nurses’ population in FMC. Socio-demographic data were not correlated with the variables. This is because of the time frame of the study.

Assumption

It is assumed that the study will reveal a low level of job satisfaction among nurses. But this may not be outright, bearing in mind the new intervention of the organizational board that are bent on improving the well being of the nurses by promotion and other incentives.

Scope of Study

The study is on nurses working in FMC Umuahia. Some variables used are only 6 variables to measure job satisfaction.

Operational definition

1. Job satisfaction is a degree to which nurses individually feel positive or negative about his/her job responsibilities, task requirement, relationship with others, working atmosphere, reward, punishment, facilities, welfare and promotion at work. It is an emotional response to their task or their responsibilities.
2. Nurses refer to the health practitioners in FMC with academic certificate or degree of proficiency in nursing.
3. Supervision is a style to oversee workers, give suggestion, provide justification, accept opinion and solve problems by using technical skills and feedback mechanism.
4. Policy and Administration, means the managing and administrating the organization, empowerment, inter-personal communication with clear direction to authorize power to operate the task until it is done.

Literature review

This will be discussed in three parts,

- Concept of job satisfaction.
- Theoretical Framework
- Factors determining job satisfaction

Job satisfaction according to Demur (2002) and Murrel (2008), is either contentment or discontentment that employee feel for a job and a concept that has an important impact on organization. Al-Hussan(2008 and Bhuiian (2002), opined that it is an attitude that individuals have about their jobs. They pointed out that it is an extent to which one feels positively or negatively about the intrinsic and or extrinsic aspect of one’s job. The definition by Vroom 1994 is the result that the person has in participating in the job that they are doing; positive attitude will show the satisfaction of the condition of the job. This negative and positive attitude to work was equivalent to job satisfaction. On the other hand, Iskandor (2001) identified job satisfaction as critical factors in an organizational behavior. There is a great need to monitor this closely to avoid the untoward event emanating from it like decreased morale, lack of motivation.
Theoretical framework

Theoretical models of jobs satisfaction include, Affect Theory developed by Edwin. The main premise of this theory is that satisfaction is determined by a discrepancy between what one wants in a job and what one has in a job, it states that what one values in a job depends on what motivates his/her satisfaction.

Another important theory is the dispositional theory which suggests that people have innate disposition that came them to have tendencies towards a certain level of satisfaction regardless of ones job.

Tow factor theory by Fredrick Herzbegs attempts to explain satisfaction and motivation in the workplace. This theory states that satisfaction and dissatisfaction are driven by different factors-motivation and hygienic factor. Motivational factors are those things that drive individuals to perform e.g. Promotion opportunities, recognition achievement in work and they are considered intrinsic in origin hygienic features include the aspect of the working environment such as pay company/organizational policies supervising practices and other working conditions.

Factors affection job satisfaction

Citing Saifuddin (2008), working condition has to be consistently positively correlated with job satisfaction. Factors that affect job satisfaction include socio-demographic factors, educational level, years of working experience and marital status. The higher the nurse is educated the more skilled and high performance challenge and creative he is. Murrel et al(2008), Demur(2002), opined that the factors that generally influenced job satisfaction is made up of management stress and policies, communication, participation in decision making, management feedback and appraisal, advancement, wages and compensation at work, promotion and displacement. When these conditions are positive, there is the possibility of increasing the satisfaction of work for nurses.

Furthermore, Noordin (2009) explained that the main determinant factors of job satisfaction range from socio-demographic factors as age, marital status and educational level and years of experience. It is assumed that job satisfaction is increased with age whereas; lowest satisfaction was reported by youngest workers. Marital status has a role to play as it is believed that married nurses do receive emotional and mental support from their spouse. Saifiddin (2009) concurred by saying that job satisfaction tend to increase with the level of education. This is more imperative with acquiring a specialty skill. Professional training is aimed at consolidating and building up skills and knowledge. This is gained through provision of continuing professional academic training.

Noordin 2009, also reiterated that attitude are affected in part by work place conditions such as a positive and safe work environment, supportive administration, career progression, salary, work teams, peers and the job itself. Other factors included by Demur (2002), Muhammed and Jamila (2008),Purani and Sahadir (2007) are motivation and hygienic factors that include salary, promotion, feedback by supervisor, co-worker and management style.

Purani etal 2007 says that job satisfaction is characterized as a multidimensional with six facet of job satisfaction whose content includes satisfaction with variety of job, supervisor, closure, compensation, co-worker and human resources/management (HR/MGM) policies.

Human interaction at work is opportunity and requirement presented for both formal and informal social content during working hours. This interaction involves reciprocity expectation. As a result there is a stable or continuing relationship developing between co-workers. The strongest support an employer may get is from co-worker, though a supervisor traditionally is responsible for supporting the employee. Helping individuals believe that the work they are doing is important and that their task are meaningful is a most important employee mobilization. Quiang (2005).

As posited by mohammed etal 2009, most comprehensive and widely used measure for job satisfaction is presented by purani etal 2007, this is adopted in this study.

Job satisfaction is an important work-related attitude in occupational research (boles 2003).
It is directly related to organizational commitment and/or indirectly related to turnover. More importantly, job satisfaction can influence a variety of important attitude, intentions, and behaviors. A number of characteristics of job must be evaluated to measure job satisfaction. The characteristics may not mean same to the nurses in general. The reason being that a nurse may indicate satisfaction with supervisor but ranks low with HR/MGM policies (Muhammed et al 2008 and Murrel 2008).

**Summary**

The literature has successfully looked into the aspect of the subject matter and has tried to give a clear idea of what is all about. The theoretical background was based on Affect theory, Herzbeg’s two factors, and dispositional theory. The general concept and the factors that are predictors of job satisfaction were highlighted.

**Methodology**

**Research design**

This is a cross-sectional study that was designed to assess the level of job satisfaction among Nurses.

**Study setting**

This study was conducted at the Federal Medical Centre (FMC) Umuahia Abia State.

**Target population**

This is made up of 301 registered Nurses working in FMC Umuahia.

**Sample and sampling technique**

The potential number of Nurses participating in this study was 200. Power and precision was used in selecting the sample size. With sample size of 200 the standard deviation was 1.4, missing % 2, margin of error; 0.10, precision of 0.19 with the power of 99.9% to get a statistical significant result at 95% confidence interval of 33.11 to 33.4.

**Instrumentation**

Data were collected in conjunction with research project on job satisfaction among nurses. The potential number of nurses participating in the study was 200 of 200 questionnaire sent out 197(98.5%) were returned. However only 193 were found completed and were considered for data analysis giving a response rate of 96.5%.

The method of data collection was a self-administered questionnaire. This contained various socio-demography data, factors determining job satisfaction as main variable and subcategories of each main variable. The measures of the variables were subjective: there is a strong case for arguing that the perceptions of the subject are important as job satisfaction may be largely an individual subjective reaction to his/her job environment. This is because a nurse may indicate high satisfaction with supervisor, but “rank” low with management policies. (Muhammed et al 2008).

Attitude developed by an employee may be associated to work, general work content and organizational serpents. (Johnson 2002).

Self-reported job satisfaction level was measured by the question. Are you satisfaction with your job variety, supervisor closure compensation, co-workers and Human Resource/Management Policies?

The response was from lowest (1) to highest (5). Based on the responses the participants were categorized into one of the three following groups; 2.5 low satisfactions, 3.5 moderate and 4 high satisfactions.

The questionnaire response were categorized into strongly disagree (1), disagree (2) indicated (3) agree (4) and strongly agree (5).
Method of data analysis

Descriptive statistical technique was used to analyze the data. Data were presented in percentages, frequencies and mean figures. The SPSS for MS window release 16.0 programme was used in the calculations and the minimum significance level set to 5%. Significance difference was determined by spearman, chi square and pearson’s correlation test. The analysis of reliability of the item was based on cronbach’s alpha. According to Bruin (2006) if the cronbach’s alpha is less than 0.6 it means that the instrument used has a low reliability. If alpha value is within 0.7 the instrument shows satisfactory internal validity and acceptable. The cronbach’s alpha for the scale of instrument of the study is 0.706 which gives it a high level of reliability.

Ethical considerations

The respondents were made to understand that the aim and objective of the project and that they will not be held responsible or liable for any information given. Collected information will be treated with utmost confidence and will be used for academic purpose.

Result and analysis

Table 1. Descriptive result of the socio- demographic data n=193

<table>
<thead>
<tr>
<th></th>
<th>Frequently</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>189</td>
<td>97.9%</td>
</tr>
<tr>
<td>Male</td>
<td>4</td>
<td>2.01%</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-30 yrs</td>
<td>41</td>
<td>21.24%</td>
</tr>
<tr>
<td>31-40 yrs</td>
<td>72</td>
<td>37.3%</td>
</tr>
<tr>
<td>41 yrs and above</td>
<td>80</td>
<td>41.45%</td>
</tr>
<tr>
<td>Age mean 64.3</td>
<td>50</td>
<td>2.5</td>
</tr>
<tr>
<td>Marital Status</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Married</td>
<td>92</td>
<td>47.7%</td>
</tr>
<tr>
<td>Single</td>
<td>101</td>
<td>52.3%</td>
</tr>
<tr>
<td>Highest Qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RN/RM</td>
<td>91</td>
<td>47.15%</td>
</tr>
<tr>
<td>Diploma in any specialty</td>
<td>57</td>
<td>29.5%</td>
</tr>
<tr>
<td>Degree and above</td>
<td>45</td>
<td>23.3%</td>
</tr>
<tr>
<td>Working experience in years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>0-4 years</td>
<td>40</td>
<td>20.73%</td>
</tr>
<tr>
<td>5-10 years</td>
<td>68</td>
<td>35.23%</td>
</tr>
<tr>
<td>11-19 yrs</td>
<td>45</td>
<td>23.32%</td>
</tr>
<tr>
<td>20 and above</td>
<td>40</td>
<td>20.73%</td>
</tr>
</tbody>
</table>

Among the respondents 97.9% were female while 2.01% were males. This finding indicates that the workforce is predominantly female. Age distribution range from 20-4 years 21.24% of the nurse were age 20-30 years. 37.31% were aged 31-40 years and 41.45% were aged 41 years and above. Among the respondents, 47.15% had been educated up to registered Nurse/Midwife. 29.3% had Diploma in a specialty area in nursing while 23.3% had trained to degree level. Majority 52.3% are singe while 47% are married. 20.73% have been working for 1-4 years, 35.23% for 5-10 years 23.32% for 11-19 yrs and 20.73% for 20 years and above. This shows the profits of the respondents who formed as the general populations of nurses in FMC. The finding can be generalized.
Table 2. Is the descriptive analysis of the main variables and its subcategories of the study.

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Satisfaction with job</td>
<td>4.2</td>
<td>1.73</td>
</tr>
<tr>
<td>Satisfaction with supervisor</td>
<td>3.5</td>
<td>2.17</td>
</tr>
<tr>
<td>Satisfaction with closure</td>
<td>3.9</td>
<td>1.05</td>
</tr>
<tr>
<td>Satisfaction with compensation</td>
<td>2.56</td>
<td>0.88</td>
</tr>
<tr>
<td>Satisfaction with co-worker</td>
<td>3.99</td>
<td>1.44</td>
</tr>
<tr>
<td>Satisfaction with HR/MGM policies</td>
<td>3</td>
<td>1.66</td>
</tr>
</tbody>
</table>

Table 2 shows that Satisfaction with job variety (m 4.2, SD=1.73) rated high, Satisfaction with supervisor (m=3.5 SD= 2.17) with moderate satisfaction. Satisfaction with closure (M+3.9 SD=1.05) moderate. Satisfaction with compensation (M=2.56 SD= 0.88) rated low satisfaction. Satisfaction with co-workers (m=3.99. SD= 1.44), moderate. Satisfaction with human resource/management polices (m=3 SD= 1.66) shows low satisfaction.

Table 3. Description result of the subcategories of the main variable (n=193).

<table>
<thead>
<tr>
<th>Items</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Descriptive Result of Satisfaction with job variety.</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. My job has enough opportunity for independent thought and action.</td>
<td>3.9</td>
<td>2.01</td>
</tr>
<tr>
<td>ii. There is enough variety in my job.</td>
<td>4</td>
<td>1.2</td>
</tr>
<tr>
<td>iii. I have enough freedom to do what I want to do in my job.</td>
<td>4.0</td>
<td>2.5</td>
</tr>
<tr>
<td>iv. I am satisfied with the opportunity my job provides me to interact with others.</td>
<td>4</td>
<td>2.03</td>
</tr>
<tr>
<td><strong>Total mean</strong></td>
<td>3.98</td>
<td></td>
</tr>
<tr>
<td><strong>Descriptive Result of Satisfaction with supervisor. (n=193)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. I am satisfied with the information from my supervisor about my job.</td>
<td>3.99</td>
<td>2</td>
</tr>
<tr>
<td>ii. There is enough opportunity to interact with my boss.</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>iii. I receive enough feedback from my supervisor.</td>
<td>3.14</td>
<td>3</td>
</tr>
<tr>
<td>iv. I receive enough information about my performance.</td>
<td>3.9</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.6</td>
<td></td>
</tr>
<tr>
<td><strong>Descriptive Result of Satisfaction with closure. (n=193)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. My job has enough opportunity to complete the work started.</td>
<td>4</td>
<td>1.4</td>
</tr>
<tr>
<td>ii. I am satisfied with the opportunity my job gives to complete the task from start to finish.</td>
<td>4</td>
<td>3.15</td>
</tr>
<tr>
<td><strong>Average mean</strong></td>
<td>4</td>
<td></td>
</tr>
<tr>
<td><strong>Descriptive Result of Satisfaction with compensation. (n=193)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. I am satisfied with the organization compensation package.</td>
<td>3.7</td>
<td>1.8</td>
</tr>
<tr>
<td>ii. I am satisfied with the medical benefits.</td>
<td>4.4</td>
<td>1.7</td>
</tr>
<tr>
<td>iii. I am satisfied with the holiday eligibility.</td>
<td>4</td>
<td>1.07</td>
</tr>
<tr>
<td>iv. I am satisfied with the security my job provides me.</td>
<td>4</td>
<td>1.4</td>
</tr>
<tr>
<td><strong>Total mean</strong></td>
<td>4.02</td>
<td></td>
</tr>
<tr>
<td><strong>Descriptive Results of Satisfaction with co-workers. (n=193)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. My fellow workers are pleasant.</td>
<td>3.9</td>
<td>3.9</td>
</tr>
<tr>
<td>ii. My fellow workers are not selfish.</td>
<td>3.9</td>
<td>4.0</td>
</tr>
<tr>
<td>iii. The people I work with help each other out when someone falls behind or gets in tight sport.</td>
<td>3.16</td>
<td>3.7</td>
</tr>
<tr>
<td>iv. The people I work with are very friendly.</td>
<td>4.02</td>
<td>2.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3.9</td>
<td></td>
</tr>
<tr>
<td><strong>Descriptive Results of Satisfaction with HR/MGM Polices. (n=193)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>i. Hospital management has a clear path of nurse advancement.</td>
<td>3.9</td>
<td>2.0</td>
</tr>
<tr>
<td>ii. Physical working conditions are supportive in attaining quality care.</td>
<td>3.96</td>
<td>1.5</td>
</tr>
</tbody>
</table>
Discussion, summary and recommendation

Discussion

Referring to table III for details of level of each variable of job satisfaction four items were used for each of the major variables to determine how nurses perceive satisfaction at work.

Table IIIa is a highlight of descriptive statistics of job variety. Four items were used to measure nurses’ perceived satisfaction. Three of the items, variety in my job, freedom to do what I want and satisfaction with the opportunity my job provides me to interact with others has Mean 4 each, SD of 1.2, 2.5 and 2.03. My job has enough opportunity for independent thought and action, (m=3.9, SD=2.01). Average mean = 3.98 which reveals a high level of satisfaction with job variety.

Table III b highlights descriptive statistic of satisfaction with supervisor. There is enough

Correlation between marital status and job satisfaction.

Pearson’s r -0.7491

Confidence interval at 95% −0.3930

P-value -0.1451; alpha −0.05

Correlation significance - no
opportunity to interact with my boss shows highest mean (m =4, SD= ), followed by I am satisfied with the information from my supervisor about my job(m= 3.99, SD= ). I receive enough information about my performance (m=3.9, SD= ). While I receive enough feedback from my supervisor has the lowest mean (m= 3.14, SD= ) The average mean is 3.6 which reveals that the nurses’ perceive level of satisfaction with supervisor is just at moderate level.

Table III c highlights the descriptive statistic of closure. Two items were used to measure level of satisfaction. The nurse’s perceived level of satisfaction is high with opportunity to complete started task (m=4, SD=1.4), opportunity to complete job from start to finish (m=4, SD=3.1). In general the average mean reveals a high satisfaction level (m=4 ) It indicates that the hospital provided enough opportunities in the support of the nursing staff to be able to complete given tasks.

Table III d is the descriptive statistic of satisfaction with compensation. Four items were used to measure the satisfaction level on compensation. Nurses felt relatively higher level of satisfaction with medical benefit (m=4.4 SD 1.7), followed by holiday eligibility( m=4 SD 1.07), and job security ( m=4 SD 1.4). The satisfaction level perceived with compensation package is moderate (m=3.7 SD 1.8). Generally the result showed that the nurses have highest mean value of 4.02. The indication is that the management had put everything in place as an inducement to motivate the nurses at workplace to achieve organizational goal.

Table III e is the descriptive statistic of satisfaction with co-worker. The four items reveals the respondents perceived level of satisfaction. The people I work with are very friendly (m=4.02 SD 2.6) has the highest mean, followed by “the people I work with help each other (m=3.96 SD 3.7). My fellow workers are pleasant (m=3.9 SD-3.9). However, helping co-workers has a very low level of satisfaction. The average mean for co-workers is 3.9. this shows that the perceived level of satisfaction with co-workers is moderate –high. It is assumed that the nurses are supportive to their fellow nurse providing a healthy and collaborative effort.

Human resource /Management policies is statistically described in Table III f. Highest level of satisfaction is shown with decision in keeping with the nurses in mind. (m=4 SD 2.1) followed by physical working condition are supportive (m=3.96 SD 1.5), and hospital management has clear path of nurses advancement (m=3.9 SD =2). Fair personal policies by the management revealed a very low level of satisfaction (m=3.3, SD=2.3).

Generally, the result of the study showed a moderate to high level of satisfaction among the nurses which gives a picture of the nurses coping with almost all the environmental factors of workplace. This is in line with literature as posited by Muhammed (2008 ), saifiddin (2009), Johnson et al (2000). The literature suggests that satisfaction improves with increase in years of experience Demur (2008). This may be because they are now more familiar with the job and their situation that they are not worried about it anymore. The next to consider is educational qualification. It is assumed that those with higher qualification have more skill and more confident in their job than the others. The later may face more humiliating working condition as those who can only do ordinary general duties. Surprisingly the result about age and marital status refuted the suggestion in the literature that married nurses may be more satisfied because of moral and emotional support given to them by their spouses.

Summary and conclusion

Overall, the finding of the research study has provided answers to the research questions. The findings suggest that the nurses, have mostly moderate than high level of satisfaction. Socio-demographic data have some antecedent conditions to statistic. The management can identify the factors that cause low satisfaction by using organizational climate survey.

Recommendation

Human resource policies must be improved in fairness to advancement through promotion, inducement, training and development. Integration and conducive working environment should be provided.

Hospital leadership and supervisors role should be improved and sustained. Job
management, specialization, specification and enrichment are encouraged. More time should be made available to make an in-depth correlation study about job satisfaction.

References

[8.] Muhammed, A, & Jmilha, F. M (2008.) Business intelligence journal 2010 vol. 3 no 1
Thuriah Medical Center – Riyadh Strategic Plan 2016-2019

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Message from TMC Chief Executive Officer

Since it opened in 01-01-2001 Thuriah Medical center has grown and developed. In its more than 14 years of operation it has undergone important changes to meet the safety and quality requirement for the provision of quality patient care. In its entirety, the center is committed to provide reliable, safe and quality healthcare to its patients. It has endeavored to meet international standards, aim to satisfactorily meet and exceed patient expectation with increased patient satisfaction.

This Strategic Plan will serve as guide of the center in achieving its goals for the next three years. In behalf of the Executive Committee, the undersigned appreciates all those, who, in one way or another have contributed to the creation of this plan.

Executive summary

This Strategic Plan is a step by step guide used by the Executive Committee that outlines the means to reach the goals of Thuriah Medical center for the coming three years (2016-2019). Through a series of meetings, the committee was able to identify the measurable set of objectives, actions and strategies for the defined strategic goals. The plan is also the organization's process of defining a long term plan of action which shall help in making sound decisions on allocating its resources to pursue this strategy, including its capital and workforce.

All members of the Executive Committee participated in the planning stages and extended extra effort to carry out its plan. With the collaborative effort of all concerned, it shall ensure that the center vision and mission will be a reality. The plan also serves as a master plan in having an enhanced center service that is according to international standards.

Along with a continuous process to renew, modify and revolutionize center processes and procedures as initial steps in giving patients the best care they deserve, this plan shall result to patient satisfaction that is next to quality care and patient safety. Likewise, aside from making the business grow, this plan once completely met and implemented with the great support from all the staff will not only result to high quality service but more patient referrals that will benefit everyone in the long run.

The strategic plan will be reviewed annually by the Executive Committee to guarantee that TMC is on the right track in realizing all the enumerated steps, goals and strategic initiatives. The Governing Body of the Thuriah Medical Center has given its approval on this 3-year plan.

Service profile & environmental monitor

Thuriah Medical center Riyadh was inaugurated on 01-01-2001 and it is situated in the capital city of the Kingdom of Saudi Arabia which has a population of approximately 5.7 million people. The center is located in a fast rising business community area where a boom in construction has been noted. TMC is a specialized in Assisted Reproductive Technology devoted to provide safe and quality patient care. As part of it goals, the center leaders have developed a plan and care of services which is consistent with the organization’s mission to deliver reliable quality healthcare. TMC Riyadh is fully computerized and equipped with the latest ART technology and is keen to provide modern and distinguished ART services with
the exception of high rate of pregnancy. It aims to be the leading healthcare provider in gulf region.

Another of our strategic goals is research: to spearhead the agenda for research in reproduction and the development of both the current and future generations of clinical investigators in the reproductive sciences. Thuriah Medical Center staffs to have measurable impact on the reproductive care of our patients that can spread worldwide, and to takes maximum advantage of our research, and support activities.

**TMC riyadh & its custom**

Thuriah Medical Center-Riyadh is providing services to many fertility patients from different sectors of the community composed of both local residents and emigrants. Among these clients are cash patients, It also deals with around different polyclinics and hospitals in Riyadh area for referrals to consultants and high-end Assisted Reproductive Technology (ART) services.

TMC-Riyadh undertakes the Scientific Lectures inviting health professionals from various hospitals in Riyadh for continuous medical education and at the same time introduce the services and facilities of the center and promote goodwill among healthcare professionals in the area. It is expected that through the new facilities that it offers, the center will reach new heights quality & patient safety wise. TMC-Riyadh offers its services to the great population of Riyadh through the proper means and technique as part of the realization of this Strategic Plan.

**The population of riyadh**

Saudi Arabia is a desert country encompassing most of the Arabian Peninsula, with Red Sea and Persian Gulf coastlines. Known as the birthplace of Islam, its home to the religion’s 2 most sacred mosques: Masjid al-Haram, in Mecca, destination of the annual Hajj pilgrimage, and Medina’s Masjid an-Nabawi, burial site of the prophet Muhammad. Riyadh, the capital, is a skyscraper-filled metropolis

Riyadh, the capital city of the Kingdom of Saudi Arabia has grown and as an indication of the growth of urbanization from available population figures. The city has experienced very high rates of population growth, from 2,000,000 inhabitants in the 1990’s to over **5.7 million** in 2014. With this figure, the TMC Riyadh is situated in an area where it can touch base with its target market. With modernization comes the requirement for quality and more updated services like high end and latest medical service that the Assisted Reproductive Technology patient’s needs.

Population of Saudi Arabia as of 1 January 2015, the population of Saudi Arabia was is 30,770,375 people (30.8 million). This is an increase of 2.55% people compared to population of 29 164 106 the year before. In 2014 the natural increase was positive, as the number of births exceeded the number of deaths by 466 917. Due to external migration, the population declined by 18 665. The sex ratio of the total population was 1.233 (1 233 males per 1 000 females) which is higher than global sex ratio. The global sex ratio in the world was approximately 1 016 males to 1 000 females as of 2014. Below figures show the Population break-up of Riyadh:
Riyadh is divided into 15 municipalities, in addition to the Diplomatic Quarter. Olaya District is the commercial heart of the city, with accommodation, entertainment, dining and shopping options. As a capital of Saudi Arabia, Riyadh has received millions of visitors of different backgrounds from all over the world. The population as shown in the table above is made up of foreigners from Africa, South Asia, Europe and the Middle East, many of whom remained and became residents of the city.

The Industrial areas are located on the East and the North-East of the city, including some of world’s largest factories of oil-related industry, high-tech, low-tech and agriculture. Once a small walled city, Riyadh has developed into a dynamic metropolis over the years. Along with the urban areas of Dhahran, Dammam and Khobar, Riyadh has become a focal point for both travel and trade. In addition to being the center of power, the city is also a commercial hub. Numerous educational, financial, agricultural, cultural, technical, and social organizations have set up base here.

### Market structure conduct performance analysis

There are many clinics, polyclinics, small hospitals in Riyadh that provide minor and preventive health care, while hospitals provide general medical care and offer services and facility for more complicated cases and procedures. The Saudi government is now focused on the continuous improvement of Saudi health facilities and expertise with the increase in the number of hospitals, medical and paramedical schools to encourage Saudis to participate in healthcare services. The competitors of TMC Riyadh are classified as follows:

- Government hospitals
- Private Hospitals

1. Government hospitals
   - Advantage of government hospitals:
     - The treatment cost is very less than private hospitals.
Highly equipped with the latest technology
Very high quality consultants

Disadvantage of the government hospitals:
Long Waiting Time

Government hospitals in Riyadh
- King Fahad Medical City.
- King Faisal Specialized hospital.
- Riyadh Military Hospital.
- National Guard Hospital.
- King Khaled University Hospital
- King Saud University Hospital

2. Private Hospitals

Advantage of private hospitals
- The main advantage of the private hospitals in Riyadh is that they have experienced and highly qualified Saudi doctors.

Disadvantage of the private hospitals
- Crowdedness
- Parking
- Some services not available

Private hospitals in Riyadh for ART services
- Dallah Hospital
- Soliman Al Habib Medical Group
- Kingdom Hospital
- Saudi German Hospital

Cost of entry to the market

The cost of entry to the market from new player is extremely high, more over the know-how and the brand building which usually takes more time in the health care sector might affect the business profitability for new comers, thus, preventing them from getting a competitive advantage. However, if expansion and additional new centers are done by existing health sector players like Al Habib, Dallah this will increase their market share and will help them to gain a competitive advantage as the market is not completely saturated and their cost of expansion and building new hospitals will be less from the new entrants which will increase their profitability too. The cost of continued existence from the market is extremely huge, and if any player did not plan for his existence for long time he will lose a lot.

Conduct of industry

Due to fast growing medical services and insurance business in Riyadh area and very high competition, many new health care providers have entered the market. Our main competitors adapt a variety of strategy to gain comparative advantage through better medical staff that is educated from western organizations and diversified allied health staff. In addition, most of competitors are now under process of JCI accreditation. More hospitals are concentrating on “Patient Satisfaction” via better luxurious rooms, less waiting time to get the services, qualified and very well trained front line staff to deal with demanding patients. Moreover, they are expanding locally within Riyadh and they are adding new sub-specialties that they do not have before which will lead to the possibility of increasing the percentage of their market share leading to a better competitive and advantage position.

As for TMC Riyadh, most of its doctors are hired from one source, hence, losing its competitive advantage in this area. It used to be known as ART Center, however it retained its strength by having a strong IVF Department and some services that other hospitals do not have like some state of the Genetic Laboratory services. It is now expanding to cover other sub-specialties which include all ART procedures and adding minimal invasive surgery for
ART services. All these improvements are expected to aid in gaining the TMC’s position and competitive advantage.

**Performance of competitors and health care providers**

As per data gathered, some of hospitals and medical centers show the following advantages or strengths:

1. Front line desk multinational, the ratio is 1:1 Saudi/Non-Saudi.
2. Male and Female furniture waiting areas were seen which includes central table with a stand of magazines (medical, cultural) and newspapers.
3. There is Information Center in the main entrance occupied, presentable employees, attending telephone calls and meeting customer to answer any inquiry.
4. Flow of patients is easy because there is one reception for each specialty of reservation, registration, and issuing receipts for services and investigation.
5. Day case surgery there are different classes with different decorations and very good furniture with special rooms were noticed to satisfy and comply with standard and social class of the patient.
6. Flow of customers in the pharmacy is excellent; there is electronic numbering system and four counters to receive patients and delivering medications.
7. Posters are fixed in movable panels and brochures distributed in each counter and waiting area having a high quality of glossy papers with high resolution of pictures.
8. Very wide waiting area with good furniture.

While the weaknesses of these private hospitals include:

1. Long waiting time for reservation of appointments.
2. They are refusing the complicated ART cases.
3. They don’t have Genetic Laboratory Services.
4. They don’t have Saudi Fertility Group –Symposium
5. No ART article publication

**Thuriah medical center riyadh performance analysis**

**Micro analysis**

- The micro environment plays a critical role in the success and behavior of a business.
- This involves organization that deals with the center on a regular basis. For example, suppliers, competitors, customers and employees. They are all members of the micro-environment.
- These groups are stakeholders of the business. They all have a direct interest in the activities of the center and are clearly affected by its actions.
- Managers regularly interact with others in the micro-environment and their decisions have a direct effect on them e.g. a decision to expand may mean an increase in supplies, more deliveries and greater profits. At the same time these stakeholder groups can have a direct impact on the firm.
- Labor shortages in the local labor market may make it more expensive to recruit as competition from MOH and other private hospitals.
- Competitors launching new hospitals like (Suliman Al Habib, Dallah) will take more market share and changes in customer tastes may require a rethinking of the marketing strategy.
- Delays by suppliers may lead to cash-flow problems and problems with patients which affect the business.
- Satisfactions of employees affect the business.

**Competitors details analysis**

TMC Riyadh has many unique services and advantages as compared to its competitors from both the private and government sectors:
There are also Ministry of Health hospitals that provide free treatment to patients and some provides referrals as part of the hospital’s agreement with MOH.

**Macro analysis**

- This involves factors outside of the direct control of the business.
- These macro-factors such as the economy, government policy and social change can have a significant effect on business.
- A change in the foreign exchange rate can affect the cost of supplies.
- The ageing population has increased demand for healthcare resources.
- The macro-environment can be analyzed using PESTEL analysis.

**PESTEL analysis**

As part of the external analysis, a deep analysis of the current situation of Riyadh that directly and indirectly affecting the center are given below:

**Political**

Firstly the political environment concerns the role of the government and its effects in an organization. It also includes the extent to which the government intervenes in the economy. The political condition in KSA can be considered as an open market and stable but these days there are some political problem in the Middle East region which may affect the overall business. However, the government is encouraging private sectors growth. In this manner, the government of KSA is willing to accept new investors but under some restrictions in order to increase the number of Saudi nationals workforce in every organization for example.

**Economical**

KSA has one of the largest economies in the world in line with market exchange rates, it is also considered to be the largest in terms of purchasing power hence it can be said that there
is a bigger opportunity for a new company to become successful in operating within KSA. The continuously growing market economy of KSA has been a good indicator that the new company will be known in the marketplace. There is also a very obvious increase in insurance business as well as obligatory insurance for expatriates all over the Kingdom.

**Social condition**

KSA is known to have consumers who are willing to accept new entrants as long as it meets their needs for a certain product or service but it must meet the nature of society of an Islamic country. The social condition of KSA is also considered to be multicultural affecting the behavior of each target market.

**Technological**

KSA has been able to utilize its advance technology. This includes their acceptance of information technology especially for business operations. This aspect will give a new company a big chance to grow in the market.

**Environmental factors**

Environmental factors include the weather and climate change. Changes in temperature can have an impact on the business especially during hot summer season which is considered as summer vacation months (*June, July, and August*).

**Legal factors**

Many significant legal changes which affect the organization’s actions such as Saudization, licensing requirements such as medical license and obligatory insurance are just some of the clear example.

**We are in temporary competitive parity situation**

Thuriah Medical Center is on competitive equivalence situation with average accounting performance. This position is temporary and if measures are not taken to improve its services and core competency as strong health care provider with reputable Assisted Reproductive services and improved customer service level to patients, it will be losing more market share.

**Business strategy**

Currently cash patients is our main clients, our business strategy is within economy of scale competing by lowering our prices in relation to the same category of competitor and this increases our growth revenue but decreases our profitability sharply. Nevertheless, when the operation becomes under pressure, the organization adapts a cost control strategy that affects the vital functions of operations.

**Environmental threat**

The five forces model of environmental threat designed by Professor Michel E. Porter was used for Micro analysis. It identifies the five most common threats facing any firm by their local competition environments and the condition under which these threats are more or less likely to be present. Any organization seeking a comparative advantage must reduce these five forces power.

**The five forces model of environmental threat analysis**

Professor Michael Porter’s famous *Five Forces of Competitive Position model* provide a simple perspective for assessing and analyzing the competitive strength and position of a corporation or business organization. It provides a framework that shows that an industry is influenced by five forces, as follows:

1- The threat of new entry

2- Threat of competition
A graphical representation of Porter's Five Forces

This analysis states that by understanding the competitive forces and their underlying causes, reveals the roots of an industry’s current profitability while providing a framework for anticipating and influencing competition (and profitability) overtime. Further, a healthy industry structure should be as much as competitive concern to strategists as their company’s own position. Most importantly, understanding industry structure is also essential to effective strategic positioning as defending against the competitive forces and shaping them in a company’s favor are crucial to strategy. Using the above as reference, when an analysis of the market is done, it will result to the following:

**Threat of entry**

The cost of entry for new organizations outside the health care sector is extremely high specially when they do not have the knowhow, cost of entry is higher than the profit that could be gained from building new hospitals but this changes when it comes to an already existing player in the market who already have market share and building new hospital will get him a competitive advantage. Governmental regulation: government regulation favors the investment in new hospitals with their special programs for funding such hospitals, however it affects the possibility of getting professional staff who have the needed know how or talent required.

**Barriers to entry for other hospitals include**

The powerful brands of many hospitals as compared to Thuriah Medical center, Soliman Al Habib Medical Group and Dallah, which any new player will not have and this alone is a strong barrier for entry for new ART centers and could lead to a competitive disadvantage for new hospitals.

**Threat of rivalry**

Most of the organizations in the market are roughly from the same size and the hospitals of the same size are few as market is in a partial competitive parity, many players of the same category in the market that could affect the existence of others all will have and is having a market share. The market is homogeneous with some differentiation of 2 hospitals like Dallah and Al Habib, however are seeking a niche in the market and considered the main player in the market. Apart from that, all others are having the same performance.
Threat of substitute

The substitute for the hospitals of our size are polyclinics and small medical centers but their power is very low as they do not have professional staff, advanced ART equipment’s or the capacity for genetic laboratory services.

Threat of suppliers

The threat of suppliers is very strong. The supplier industry either pharmaceutical companies or medical device companies are dominated by small number of firms controlling the prices in the market and they all sell their own unique and specialized differentiated services which are the heart of the operation in any hospital. The supplier market are ready working on the market have little threat from substitute from other products like the generic drugs for the pharmaceutical companies or the low quality Chinese made equipment for the medical device industries as they are not as efficient as the main players on the market but they are less cheaper than them. Moreover TMC due to its old problems with suppliers is considered as medium important customers for these suppliers due to payment problem. In conclusion, the suppliers have an extraordinary power that could control the health care market and that could threat the performance of our organization if not taken into consideration.

Threat of patients

The segments of population in Riyadh requiring health care are huge. The patient power is mostly transferred to the MOH where it gives them a variety of hospital to choose from. Patients usually get the hospital with best ART services and high satisfaction level from the network they wants. MOH and patients exerts a huge power in the health care market and our center is not fully saturated yet meaning that our clients has a huge power as we need more client to get our targeted performance. While for other hospitals the power of client is not that huge because they are already saturated with patient who gives them the power to move their prices up with the MOH and other clients.

Development of TMC Riyadh Strategic Plans

The Executive Committee in developing the Strategic Plan for the coming three years (2016-2019) with the hope that effective strategies and perceived innovations will result to greater benefit and that the center will be better positioned for success in achieving its mission and vision.

A series of meetings were conducted to review the previous plan prepared in 2013, update and develop it to match the current needs of Thuriah Medical Center in line with the Executive Committee come up with better solutions that shall enable the center to perform better in consideration of its aim to provide safe and quality health care to its patients. Henceforth, the value of having a Strategic Plan that shall align all the efforts and activities of the center in order to reach a new level of performance was established. The core activities to develop a hospital plan are based on the following steps:
Steps in Strategic planning

Step 1: External analysis

Purposes
- Sets the tone for organizational culture and commitment to excellence;
- Defines the “community” for service goals and sets territorial boundaries for future operations;
- Defines and assesses the actual and potential markets and customers;
- Identifies opportunities and constraints;
- Provides a basis for “benchmarking”: Comparing the organization to neighbors and competitors.

Data collected
- Regulatory Environment;
- Competition;
- Customer needs, expectations, preferences, and priorities;
- Demographic forecasting:
  - Determines characteristics of customer groups to be served, e.g., gender, language, ethnicity;
  - Provides information as to types and quantity of products and services needed and demanded.

Step 2: Internal analysis

Purpose: To develop a balanced picture of the organizations limitations, strengths and opportunities for further development.

Data assessed
- Types and utilization of services;
- Patient Mix
- Practitioner characteristics, treatment patterns and performance;
- Financial performance;
- Facilities inventory;
- Organizational assessment (evaluation of the current effectiveness of infrastructure and culture).
Step 3: Issue analysis

The issue analysis took the form of a **SWOT analysis**, using the external and internal data collected analyzed in steps 1 and 2:

<table>
<thead>
<tr>
<th>S</th>
<th>Strengths</th>
<th>W</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>O</td>
<td>Opportunities</td>
<td>T</td>
<td>Threats</td>
</tr>
</tbody>
</table>

The detailed SWOT Analysis

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### SWOT ANALYSIS

#### INTERNAL

<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Strong Turish Medical Center brand name</td>
<td>1. Lack of efficient front line staff</td>
</tr>
<tr>
<td>2. Dedicated hospital leadership</td>
<td>2. Limited impatient rooms in OR areas</td>
</tr>
<tr>
<td>3. Easy physical accessibility</td>
<td>3. Lack of coordinated marketing approach</td>
</tr>
<tr>
<td>4. Compatibel, informative and reliable management information system (MIS/HR)</td>
<td>4. Lack of diversified human resources</td>
</tr>
<tr>
<td>5. Video conferencing facilities</td>
<td>5. Lack of effective and stable human resource culture</td>
</tr>
<tr>
<td>6. Unique ART services</td>
<td>6. Lack of adequate periodic preventive maintenance (PTX) of center equipment’s</td>
</tr>
<tr>
<td>7. Strong follow-up system to get things done</td>
<td>7. Lack of Hospital Safety System</td>
</tr>
</tbody>
</table>

#### EXTERNAL

<table>
<thead>
<tr>
<th>Opportunities</th>
<th>Threats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Continuously increasing the cash patient segment by outreach programs.</td>
<td>1. Growing power of government and private competitors</td>
</tr>
<tr>
<td>2. Attracting more business like MOH contracts</td>
<td>2. Massive marketing activities from main competitors</td>
</tr>
<tr>
<td>3. Establishing the advanced center like OBGYN Department</td>
<td>3. Existing governmental rules and regulations on expatriates</td>
</tr>
<tr>
<td>4. Introducing new services like NIFTY, pain management unit, etc.</td>
<td>4. Dynamic job opportunities for health professionals in the market</td>
</tr>
</tbody>
</table>

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Step 4: Business intelligence

The key to thriving in a competitive marketplace is staying ahead of the competition. Making sound business decisions based on accurate and current information takes more than intuition. Data analysis, reporting, and query tools can help business users wade through a sea of data to synthesize valuable information from it - today these tools collectively fall into a category called "Business Intelligence. “This process involved data gathering, storing, analyzing, and providing access to data to help enterprise users make better business decisions. Business Intelligence applications include the activities of decision support systems, query and reporting, online analytical processing, statistical analysis, forecasting, and data mining to determine the future or desired outcome that should be taken as beginning point for this Strategic Plan prior to implementation.
Step 5: Development/Review/Revision of Mission, Vision, and Core Values:

The Vision, Mission and Core Values of TMC Riyadh was reviewed, revised and approved as below.

**Vision**
Strive to maintain leadership in the provision of world class reproductive health services.

**Mission**
At Tharirah Medical Center, we are dedicated to the provision of highly specialized reproductive health services by a highly qualified experienced team enhanced by commitment and compassion to our patient’s needs.

**TMC Values:**
- T – Trust
- H – Honor
- U – Understanding
- R – Respect
- I – Innovation
- A – Accountability
TMC Mission, Vision & Core Values

**GOAL #1**
Continuous Quality Improvement and Patient Safety

**GOAL #2**
Be the leader in the provision of reproductive services

**GOAL #3**
Customers as partners in decision making

**GOAL #4**
Trained and committed Human Resource

**GOAL #5**
Financial Growth

**STRATEGIC GOAL #2**: Continuous quality improvement and patient safety

**STRATEGIES**
- Advise the management for accreditation process
- Patient involvement in quality and safety
- Continues education and training of staff

**DIRECTIONS**
- To attain Joint Commission International (JCI) accreditation by the end of 2016
- To obtain clinical CBAIE accreditation by the end of 2016
- To increase the customers satisfaction by 95% and year
- To develop a quality and safety module by end of 2016
- To increase the rate of drug prescription compliance to 90% by year 2016
- To adopt to additional clinical guidelines, clinical pathways, and clinical protocols by the end of 2016

**Financial Plan**
Set up a performance budget

**Clinical Services Plan**
Align services with community needs

**Quality Plan**
Implement JCI standards and FOCUS FQHC to increase quality and patient satisfaction

**Workforce Planning**
Increase staff morale and wellness
- Provide professional development and quality incentive

**Infrastructure / Capital**
Improve performance of medical equipment & PPM schedules

**Information Systems**
Network to facilitate data management software development

**Relationship Development**
Patient Referral Development
TMC has adopted the FOCUS-PDCA Methodology for Quality Improvement Projects.

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<tr>
<th>F</th>
<th>Find an Opportunity for Improvement</th>
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<tr>
<td></td>
<td>Improvement efforts should be focused on improving patient care reducing costs and fulfilling center’s mission and goals.</td>
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<td></td>
<td>Review applicable standards and guidelines.</td>
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<td></td>
<td>Analyze collected data to evaluate customers’ needs.</td>
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<td>Outline the basic problem and the desired outcome.</td>
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<th>O</th>
<th>Organize a Team</th>
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<td></td>
<td>Improvement may span several departments.</td>
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<td></td>
<td>Identify and involve stakeholders i.e., physicians, nurses, administration, finance, human resources, etc.</td>
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<td></td>
<td>Select multidisciplinary team members, who do or know the process / problem. “Ownership” of the solution helps ensure future compliance.</td>
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<th>C</th>
<th>Clarify the Current Process</th>
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<td>Improvement cannot take place until the current process is fully understood by all team members.</td>
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<td></td>
<td>Draw a flow chart of the problem.</td>
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<td>Obtain input from all affected areas.</td>
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<td>Collect or obtain data relevant to the process and desired outcomes.</td>
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<th>U</th>
<th>Understand the Problem and Process Variation</th>
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<td>Improving the process means identifying all possible causes and variations developing solutions to achieve the desired outcome.</td>
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<td></td>
<td>Obtain additional information that is required: collect data benchmarking best practice, etc.</td>
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<td></td>
<td>Identify the tools required to describe and analyze the process and desired outcome.</td>
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<th>S</th>
<th>Select the Improvement</th>
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<td></td>
<td>Analyze alternative solutions and process improvement.</td>
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<td></td>
<td>Choose the best solution that will achieve the desired outcome.</td>
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<tr>
<td></td>
<td>Develop approval with a summary of required information, expected outcomes, resources, time frames, team membership, etc.</td>
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<tr>
<td></td>
<td>Plan the Improvement</td>
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| P | • An improvement project will be planned with goals and target according to the established ongoing objectives and new objectives.  
   • The plans will be communicated to all concerned departments.  
   • Action team members will be selected to work and monitor the success of the plan with a team leader among them.  
   • Tasks will be assigned to the action team members, a checklist and realistic time frames will be developed for its realization.  
   • Team members will be responsible for obtaining necessary data, monitoring the project, and keeping track of it. The overall outcome is the responsibility of concerned department and the QPS Department  
   • All departments that will be affected by the projects will be notified of the implementation by the action team members |

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<th>Do the Improvement</th>
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| D | • After the project planning, the implementation strategies will be identified to be implemented systematically.  
   • All the people involved in the process from the Action Teams to the subordinates who will be directly involved in its execution will be trained.  
   • In the process data will be collected including negative and positive outcomes and the required checklist will be updated as per outcome.  
   • The improved process will be kept and maintain and defects will be rectified. It will be kept on track by monitoring. |

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<th>Check the Results</th>
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| C | • The result of the implemented strategies will be analyzed to measure the outcome. This question is necessary to be raised at this time to see the results: “Did the change lead to the expected improvement?”  
   • Compare the data collected with that collected during and after implementation to ascertain, if the project goals were met.  
   • Check for any adverse consequences whether the change is acceptable to all involved.  
   • Continue to collect data to determine the effectiveness and compliance with the strategic solutions. |

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<th>Act to Hold the Gain</th>
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| A | • If the project goals, change, and the desired outcome were met, it the improved process shall be standardized throughout TMC where applicable.  
   • Necessary adjustments will be made to the policies and procedures to update and adopt the improved processes.  
   • These changes will be communicated to employees who will be involved in its performance by orienting or including it in the continuing education or career development.  
   • Changes will be monitored and documented to identify any additional opportunities for improvement.  
   • The success of any improvement project shall be owned by the action team members and the departments involved in the process. |

Prioritization mechanism is focused on: High Risk; Problem Prone; High and Low Volume; High Risk; Internal and External Customer Expectations; High Cost and International Patient Safety Goals.

Outcome measures should reflect improvement in the following dimensions of quality: Efficiency and effectiveness; Appropriateness; Availability; Timeliness; Maintenance and continuity; Safety; Adherence to the Professional Ethics; and Ensuring Respect and Care (as rights).

Vital Customer-Focused Functions:  
- Patient Relation Committee
Patient & Family Education  
Customer Satisfaction Surveys  
Complaints and Compliment Management  
The following tools will be utilized to assess and improve the implementation of this plan:  
Brainstorming  
Diagrams such as Affinity, Matrix, Force Field, Cause and Effect, Scatter Diagram  
Charts such as Pareto, Control and Run charts  
Flowcharts such as: Sequence and Process Flowcharts  
Criteria Ratings; Check Sheets; Histograms.  
Improving support services like housekeeping, catering, security, front desk, etc

Innovation of products and treatments in addition to exploring new market areas  
International Visiting Professor Program  
Hire more diversified ART physicians  
Expansion of Genetic Lab services  
Expansion of pre anesthesia clinics  
Increase number of Technicians in IVF department  
Increase awareness about Thuriah Medical Center in surrounding countries  
Manage media exposure

Continuous improvement of IT technology  
Enhancing patient care by providing a unified program for patient care through IT application like CRM (Customer Relationship Management)  
Financial System: TMC Financial System was replaced in September 2015 with FOCUS E-Business suite for better performance, integrity and to be based on international standards like ERP (Enterprise Resource Planning) whose full implementation within the Group level is expected to be completed by January 2016.  
Data Warehouse: At the moment the IT strategic committee is working on the program to centralize the reporting system so that higher administration could have one source of information for all the center with respect to revenue and patient census.

System Up-gradation:  
Database Server: Ongoing the up-gradation of database server, which is divided into two sections as following:  
Hardware: Upgrade to HP DL 320E G8, Along with more storage capacity, performance and scalability  
Software: Upgraded the database server from SQL Server 2000 to SQL Server 2012, which is based on latest technology, along with the features of Automatic failover in case of disaster; enhance security, scalability and performance.  
Exchange Server: Completed the up-gradation of exchange server (email server) from Server 2003 to server 2012 (HP DL 320) which is high performance server with latest configuration.  
Client Server: Keeping in view to improve the services to the patients we have upgraded the client machines as well to give better services and to have faster performance when it comes to systems, in this regard following are the details:  
Hardware: Dell Optiplex 360/380/520/755/760/780/9010 &HP, ACER...CRT Monitors to LCD Display Screen  
Software: Windows 7 & Windows 8  
In-House Software Development: IT Department is continuously trying to improve the efficiency and work flow among different departments, for that there are some modules which are being developed and also as part of MCI requirement.  
General Maintenance Module  
Upgrading the Bio-Medical Module  
Management Information System
Wireless internet service for patients

References
[4.] JCI Standards Edition 2015; GLD 1.2
[5.] Minutes of Executive Committee Meetings
[7.] Resources for Hospital Strategic Planning
[8.] Saudi Arabian Information Resource
[10.] TMC Riyadh Mission, Vision, and Core Values
[12.] The five competitive forces that Shape Strategy by Michael E. Porter
[13.] Wikipedia, the free encyclopedia

TMC Riyadh Strategic Plan Approvals

Appendix A

Executive Committee Members
General Manager- Dr. Hamad Sufyan Al Sufyan
Chief Executive Officer- Dr. Hussein Laqwer
Chief Medical officer – Dr. Abdullah Salih
Chief Nursing Officer- Ms. Geethamma Jolly
Chief Quality Officer- Dr. Amir Chohan
Chief Operating Officer- Ms. Rawia Sufyan

Appendix B
Definitions & Quality Concepts

Strategic Planning is an organization-wide/system-wide, ongoing look into the future. It is a process based on an objective internal and external assessment that focus on current reality and the foreseeable future, and is driven by needs, priorities, feasibility, capabilities, and available resources. It is viewed as leadership’s deliberate attempt to stop “spinning the top”, at least on an annual basis, and ask some core questions such as:

- What are we doing?
- What should we be doing?
- What should we be doing next?
- How should we be doing it?
- What should we not be doing?

Time Frames in strategic planning refer to the expected completion of an objective. Strategic planning can be short term or long term goals. A year-long (short term) operational plan may be generated annually to support strategic plan implementation.

- Short term focus on 2-3 years (near future) with an annual review and update of an accompanying year-long Operational Plan.
- Long term is projecting the present into the future for 5-10 years.
External Analysis is scanning and analyzing assessments from external environment such as the community, cultural/linguistic competency by collecting data to be analyzed and transformed into information for decision-making.

Internal Analysis is scanning and analyzing internal organization’s limitations, strength, and opportunities for further development.

Issue Analysis is identification and prioritization of important organizational functions, key challenges, and opportunities. It takes the form of “SWOT” analysis using data collected and analyzed under external and internal analysis. SWOT stands for:

- **S** = Strength
- **W** = Weaknesses
- **O** = Opportunities
- **T** = Threats

Mission Statement declares (what/who the organization is?) The overall, broad purpose and role of the organization related to desired services, permitted services, availability of resources, and commitment to meeting community needs. It is where the governance and management links are made to quality. The mission statement addresses:

- Commitment to quality in all organization activities;
- High priority commitment to patient care and safety;
- Commitment to competency and professional growth of employees and staff; and
- Commitment to serving the community.

Vision statement declares (what the organization strives to be), intents and aspirations for the future. According to Pointer and organizations must ask key questions when formulating the vision:

- What benefits and values should the organization be providing?
- How should the organization fulfill the interests and meet the needs and expectations of its stakeholders?

Core Values, value statements or guiding principles is a listing or organizational values that support the mission and vision statements and guide strategic planning, decision-making, and provision of all services. Core values are related to the following dimensions of care and quality:

- Respect for persons
- Quality of care
- Acceptability of care
- Professional competence
- Effectiveness of care
- Employee empowerment and satisfaction
- Continuity of care and services
- Appropriateness of resource utilization
- Management of information and technology
- Safety
- Accessibility

Critical Success Factors are those things the organization must do to achieve the goals and vision. Once these are identified, they are incorporated into the strategic plan as strategies and objectives, or strategic initiatives.

Goals articulate specific strategic end points toward which activity is directed to accomplish the mission and vision focused on improvement of organizational performance but not on short-term financial gain.

Objectives are targets or key result areas that the organization aims for. It must:

- Be measurable and explicit.
- Specify a time for completion.
- Identify the person(s) responsible for completion.
Entrepreneurship Potentials and its Role for Youth Livelihood Development

Article by Molla Mekonnen Alemu
PhD, Texila American University, Ethiopia
Email: mollamekonnen@gmail.com

Abstract
The potentials of entrepreneurship for unlocking youth-led livelihood development was explored in 5 districts of Sierra Leone, West Africa. Interviews, questionnaires, focus group discussion, and field observation were used to collect data. Reports and different literatures were also reviewed. The analyses of the survey indicated that entrepreneurship has a great potential in creating employment opportunities for young women and men. Poor microfinance services, inadequate policies and strategies along with low level of enforcement and poor infrastructure account as the major problem contributors to the low levels of entrepreneurship employment opportunities for the youth in Sierra Leone. The study also revealed as entrepreneurship development has a great alternative potentials which could help to reduce the present youth unemployment rate in the country. Offering credit facilities, business management skills, mentorship and coaching services to young enterprise operators and creation of the enabling environment (reinforcing of policies and strategies) for entrepreneurship are identified as the major contributors for entrepreneurship related employment opportunities.

Keywords: Entrepreneurship, youth, employment opportunities

Introduction
The uneven economic recovery and successive downward revisions in economic growth projections have had an impact on the global employment situation. Almost 202 million people were unemployed in 2013 around the world, an increase of almost 5 million compared with the year before. This reflects the fact that employment is not expanding adequately fast to keep up with the growing labor force (ILO, 2014).

Sierra Leone is still emerging from a period of post-conflict reconstruction which followed a decade of civil war, which ended in 2001. Central to the conflict lay a large group of marginalized young people, particularly from rural areas, who are mostly illiterate and without access to livelihood opportunities. Besides the challenges associated with the recovery for development phase, on the employment creation front, the limited capacity of the private sector and a generally difficult economic environment, exacerbated by the global economic crisis and its repercussions on the country’s economy and labour market, have worsened the youth unemployment situation in the country.

The Sierra Leone National Youth Policy and the Youth Commission Act 2009 define youth as all Sierra Leonean female and male between the ages of 15 and 35 and it account for 34 percent of the population of Sierra Leone (GoSL, 2003). The civil war that ended in 2002 disrupted the availability and quality of educational services, exposed many youth to violence from a very young age, and created disincentives for young people to remain in school. As a result, members of this generation have less employable skills and opportunities, are less prepared for the job market and face a more difficult transition to adulthood than either younger or older groups. They constitute a vital component of the country’s human resource capacity, capable of exerting profound impact on the socio-economic, political and security needs of the country (NAYCOM, 2012; NAYCOM, 2013).

Overall, employment is a structural issue and there are no quick off-the-shelf solutions that are sustainable and that will reach the majority of the youth which is considered to be
underemployed or unemployed. Employment requires long-term equitable growth across sectors and regions. There are good practices that have been shown to be successful and that can be expanded. Additionally, many more opportunities can be made of existing opportunities if there are better linkages between sectors and initiatives; a much more supportive policy environment and targeted interventions based on detailed assessments (NAYCOM, 2012b).

The private sector in Sierra Leone, as in most African countries, has remained largely informal. Less than 15% of private sector employment can be linked to the formal sector. The private sector has the potential to substantially increase productive and adequately remunerative employment in response to market opportunities and business innovation, if sufficient attention is paid to the development of micro and small and medium enterprises (SMEs). Employment promotion should therefore emphasise the provision of an enabling policy and strategy environment and a favourable business climate for private sector development, including in particular skills development and entrepreneurship training and the availability of a start-up capital. This should be seen as an instrument to achieve employment creation and other desired development outcomes in the country (MLSS and MYES, 2011; GoSL, 2008).

Objectives

The main objectives of the study are i) to highlight the major bottle necks of youth led entrepreneurship development opportunities; ii) to analyze the potential benefits of entrepreneurship development for youth led employment opportunities; and iii) based on the findings of the study, to propose different scenarios that can be used to promote youth entrepreneurship and livelihood development.

Methodology

The major activities of the study were started by conducting a preliminary reconnaissance survey. Then the study was carried out by making use of the qualitative research technique. The participants (business operators) were selected by systematic sampling from five districts (Bo, Makenie, Kenema, Newton and Freetown) whereas the government officials and other development practitioner were selected by purposive sampling. Report reviews, semi-structured questionnaire and interviews were used to gather the primary and secondary information. Focus group discussion was also held with young business operators. The research also undertook a comprehensive search for available literature, including policy, strategy and action plan documents. A total of 16 professionals and 62 business operators have participated in the data collection process.

Based on the type of methods used to collect the data, the information was analyzed through qualitative research analysis methods. The primary information collected through interview, observation and questionnaires was separately transcribed which helped the raw data to be ready for scientific analysis. Then content analysis of the information was made and main points were analyzed (Roulston, 2001; Boeije, 2010; Flick et al., 2004).

Results and discussion

Economic growth should lead to shared prosperity and should be measured not just by the rate of growth but also by the degree to which growth improves the well-being of people on an equitable and sustainable manner. This type of inclusive growth is founded on the creation of decent jobs, improvement in livelihoods and rising real incomes for all (ECOSOC, 2015).

Small and medium-sized enterprises (including smallholder farmers and agri-businesses) deliver essential goods and services to their communities at different levels. Effective entrepreneurial development can set in motion a wave of impacts in communities and regions that go beyond the wealth created by individual entrepreneurs and their enterprises. Successful entrepreneurs create returns for their investors, often family and friends located in their regions. The growth of entrepreneurs often creates wealth that is rooted in the local
Successful entrepreneurs may become donors to local community foundations and contribute their time, talent and treasure to other community endeavors (Deborah and Sarah, 2012).

Fig. 1: Respondents analysis on the proportion of loan sources for entrepreneurship

*Osusus: informal savings on a daily basis and will receive a cash pay-out one day a month (or per cycle among the group).

The main objective of informal entrepreneurs in production of goods and services is to generate income and employment opportunities that are centered on the individual. These units have low level organization patterns on a small scale. They are carried out on a small scale with labour and capital as well as limited division of labour among family members. The relations between the workers are temporary. Job opportunities depend on kinship relations and personal and social relations. The ownership of the units is not held by any other person than the informal entrepreneur. They do not have the ability to differentiate between production cost and household expenditure (Zuin, 2004: 12 cited in Pradeep et al., 2013).

Fig. 2: Analysis of the problems affecting entrepreneurship.

The study explored that, the private sector in Sierra Leone, as in most African countries, has remained largely informal. Less than 15% of private sector employment can be linked to the formal sector (MLSS and MYES, 2011). Entrepreneurship development has a great potential to scale up the creation of employment generation for youth. Entrepreneurship development however, in Sierra Leone is still struggling from weak infrastructural development, weak financial credit services, and inadequate entrepreneurship management skills from the side of business operators as well as weak institutional arrangements to create enabling environment for the sector, these all exacerbating the unemployment rate especially among the youth.
Entrepreneurship development and promotion requires the very existence and placement of several development factors. Amongst, however the creation of an enabling environment in terms of policy, strategy and institutional framework arrangements will play a paramount role in ensuring the role of entrepreneurship for creating livelihood opportunities for the youth. Business skills development which can enable young business operators to manage their businesses in the areas of business plan preparation, savings management, business expansion, records keeping, etc. will also play a significant role in the entrepreneurship development. Strengthening of local economic development by incorporating labour-intensive technologies and opportunities through public works at district and chieftaincy levels by targeting youth and women can also lead to the creation of enterprises.

Private sector development is also very crucial for economic diversification and in transforming the growth path of the economy towards significant employment creation and poverty reduction benefits. The emphasis on private sector development goes beyond the large investors to include small and medium enterprises which have the greatest potential for job creation in the private sector. Strengthening the microfinance system in terms of credit scheme services for accessing start-up capital and existing business enterprises expansion backed well-targeted skills development programmes will also play a significant role for the development of the sector.

**Conclusion**

Entrepreneurship development has a great potential on economic as well as livelihoods development. Employment promotion through entrepreneurship development should therefore focus basically on the creation of an enabling environment in terms of policy, strategy and institutional arrangements. Provision of a favourable business climate for the private sector development, in particular skills development and entrepreneurship training and start-up capital will also play a key role for the livelihoods development of the youth. The expansion of business development services which can provide coaching and mentorship services to business operators will also boost enterprises development and serve as an instrument to achieve employment creation and other desired development outcomes for youth.

**References**

3. ECOSOC (Economic and Social Council of the UN), 2015: High-level political forum on sustainable development convened under the auspices of the Council. High-level segment of the 2015 session of the Economic and Social Council.
Introduction

This review basically was script, review and to critic the article ‘Globalization and Collective Bargaining in Nigeria’, which was gotten from the European Journal of Business and Management. The steps in which the article will be reviewed as follows: summary of the article, looked at a brief analysis of the structure of the article, examine the information, setting and how effectual it is to the reader. Also, reviewed key points (Labor, Globalization, Collective Bargaining and Industrial Action. This article shows the extent of how globalization had aided or hindered collective bargaining in Nigeria and the setbacks it creates and not the positive influence. Another hand, to evaluate the literature review to check source and reliability of the information used for the article. Other aspect of the review will be done on the authority of the article, to assert the authenticity of the document, the currency, objectivity, accuracy, relevance and importance of the article will be critic and reviewed. The content of the article spoke to the title of the article, spoke to three core contents that defined and explained the effect of globalization to collection bargaining in Nigeria.

Article summary

The Article was aimed at arguing out how globalization was not completely wrong or harmful, but the operational in Nigeria creates setbacks that overshadows the positive influence of collective bargaining. The motivation for this paper was identified as globalization being marked as worldwide phenomenon, which affect lives of human endeavor, which Nigeria situation has the worst stated situation. Content analysis was addressed through relevant documents that showed how Nigeria Government subscribed to different provisions of International Labor Organization but implementation process failed. History of Globalization was given extensively with dates and the roles some multinational and Trans-national corporations, may play as stated in the article ‘Globalization dates from ancient times of 15th century but wholly missing in existing literature. An philosophy which was powerful and manifested at the dated time in colonialism, decolonization, modernization and global governance, whose central feature was captured in the doctrines of political and market forces (Acemoglu et al 2002; Diamond 1999)’. It was noted, that multinational institutions served as pillars of the economic layer, where principal architects aided and structured adjustment programs affected industrial relations environs in different countries. The importance of the collective bargaining can be easily established at the workplace and it society.

This study was aimed at filling gaps examined on globalization and collective bargaining nexus across different but also interrelated issues, such as knowledge negotiation theories and bargaining process.

The opportunities and challenges in the Nigerian Collective Bargaining environment was well articulated by the authors, quoting references to back up his claims. For instance, ‘Scholars have acknowledged the relevance of institutional thesis in their discourse of globalization and development (Rodrik et al 2004; Mallaby 2004). The article emphasized on opportunities and challenges in Nigerian collective Bargaining Environment of human rights, unionism, assumption of government and geography and integration theses.

Review of literature

The article was well written with quotes and references from books and different write ups in line with the title of the article, and lot of literature review was conducted. The introduction

**Article structure**

The article was introduced with an abstract with strong emphases on effect on globalization on human endeavor. Questions raised from Nigeria situation served as the motivation in writing this article. Indepth information about the history was mentioned, the article had plenty paragraphs and quiet lengthy, use of long sentences. This could lead to disjointed information for the reader or too much information for a lay person. The article comprises of four headings and the conclusion. The methodology of the article used by the author was narrative, stating instances of theories references to other work and studies done; linking them to real situation, which had references. The article is rich in content, simple lay-out use of English. Also, great link between all the headings from the abstract to the introduction, Globalization and Collective Bargaining Nexus and how Opportunities and Challenges in the Nigeria Collective Bargaining Environment. All headings were well referenced with quotes to back all information cited in the article. No findings or research was conducted by the author but references to other articles in support on the article. The author could have done a bit of research to add to the already information of pasted articles. References quoted in the article were cited in text, listed out clearly in the reference section. This aided the reader access to point and further study of Globalization and Collective Bargaining. The document was in PDF, linked to journal and other conference documents published by the publication house.

**Article critique**

**Authority**

The journal, Globalization and Collective Bargaining in Nigeria was an article written out of arising questions from what extent of globalization hindered or aided collective bargaining in Nigeria, what ways labor could manage the situation. This was the motivation to this article. The source of the journal was from the European Journal of Business and Management site, search through Google Scholar. Articles, papers etc from this site are well and extremely reliable research record.

Article written by two PhDs, Senior Lecturers from two prestigious Universities in Nigeria (University of Lagos and University of Ibadan), illustrated that the authority of the work was creditable, reliable and veracity. This article was also peer reviewed, as the article was charitable to the hosting website, both authors are academicians working in Industrial Sociology/ Relations, Human Resources/Personnel Management department at University of Lagos and Ibadan, – Nigeria respectively. This article is described as a paper, published and supported by IISTE.

**Accuracy**

The facts of this journal was obtained from this paper (article), written in narrative of studies, and information from content analysis of relevant documents. The article was supported with contemporary reference list and wide-ranging sources, cited in text to back the literature review. The article was well accurate, given the well refereed and good editorials and showed links to other expert sources. The following journal ‘The Human Right to Police to organize and Bargain collectively” published by Routledge Taylor and Francis Group 2008.
Currency

The article, Globalization and Collectively Bargaining in Nigeria was published 2012, references used and cited in the article were recent and contemporary. This ranged from 1998 – 2008. This showed the authentic of the work and how current the paper.

Relevance

The article was found in an academic database, which indicates it an academic paper, that replicate it’s extremely credible and reliable document in academic and societal setting in the world of Human Resources. The article was written due to motivation from questions arising from issues affecting human endeavors in the aspects of Globalization. Most of the issues were addressed through the use of relevant documents. This article has it relevance to students and other researchers, and the general public in search for knowledge on Globalization and Collective Bargaining in Nigeria. The article is rich in content but needs full attention in understanding most of the content.

Objectivity

The information used by the author on the article was accurately developed, with support documents from other research, journals, and papers in this field with good indication recognized and referenced. The information in the article are facts that have showed and information were well researched due to in-text citing backed with references and extensive work done by the authors. This article analyses the effect of globalization to collective bargaining, the opportunities and challenges in the Nigeria Collective Bargaining Environment. The headings explained by the authors give more insight into the issues of Globalization in Collective Bargaining.

Stability

The sources of this article was from an academic and research journal, with recent data and in-text citied that represent stability of the resources used.

Recent advances related to the topic

This article, “Improving Working Conditions through Collective Bargaining”, recent article written in a daily newspaper in Nigeria about strengthening collective Bargaining machinery and how some countries have decentralize collective bargaining which have taken tolls on wages. Below is the link of the article for more information. http://www.thisdaylive.com/articles/improving-working-conditionsthrough-collective-bargaining/177853/.

Conclusion

This article has in- depth study of relevant document on Globalization and Collective Bargaining in Nigeria. The write up was well written, critically and analytically summarized by Okafor and Akinwale. The body of the article (structure, content, reviews and in-text cited references) were assessable, analyzed and informative.

Sample of article

[1.] Roy J. Adams; Police Practice and Research; May 2008; The Human Right of Police to organize and
[2.] Bargain Collectively. Volume 9, No. 2. Sourced from
[3.] http://www.tandfonline.com/doi/abs/10.1080/15614260802081329#preview

Article by Nebo Sandra Ogochukwu1, Nnamani, Desmond Okechukwu2 & Ituma, Afam.O3

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Abstract

The provision of infrastructure in any developing nation especially third world countries is the backbone of the country’s national economy. The government at all levels is responsible to provide infrastructure via dependence on loans and credits from financial institutions, the requirement for the infrastructure deficit is such that cannot be met by relying on the public sector to boost public investment without increasing public borrowing. The exclusive funding of social services in Nigeria was a challenge in early 80s; the economy co-opted International Monetary Fund (IMF) and Structural Adjustment Programme (SAP) to disengage social service delivery. The premise of global economic meltdown declined the revenue base and source of income as a means of funding social services in Nigeria. Public Private Partnership initiative has the prospect to attain financial constraints to improve the framework for business environment. The paper examines the link between PPP and social service delivery in Nigeria, and recommends that government should put more efforts to improve the level of awareness on the involvement of private sector in the provision of infrastructure through public enlightenment locally and internationally stating the benefits both for citizens and investors.

Keywords: Social Service, Revenue, Policy, Financial crises, Reforms.

Introduction

A public private partnership is a government service or private business venture which is funded and operated through a partnership of government and one or more private sector companies. These schemes are sometimes referred to as P3 (Abubakar, 2013). The public private partnership involves a contract between a public sector authority and a private party, in which the private party provides a public service and assumes substantial financial, technical and operational risk in the project. In some types of PPP, the cost of using the service is borne exclusively by the users of the service and not by the taxpayer (Barlow and Wright, 2013). In other types like private finance initiative, capital investment is done by the private sector on the basis of a contract with government to provide agreed services and the cost of providing the service is wholly or partially done by the government. The government contributions to PPP may be in the transfer of existing assets on projects aimed at creating public goods like in the infrastructure sector, the government provide a capital subsidy in form of grant, so as to make it more attractive to the private investors. In some cases, the government support the project by providing revenue subsidies like tax breaks or removing guaranteed annual revenues for a fixed time period. The two fundamental drivers for PPPs enable the public sector to harness the expert efficiency the private sector can bring to the delivery of certain services traditionally procured and delivered by the public sector (World Bank, 2007). The PPP is structured to make the public sector a capital investment not to incur any borrowing. Instead the PPP borrowing is incurred by the private sector as a vehicle for
implementing the project to the public sector perspective, PPP is an off-balance sheet method for financing the delivery of refurbished public sector assets (Virginia and Allen, 2012).

According to Abubakar (2013), the logic for establishing PPP is for public and private sector to have unique characteristics that provide them with specific aspects of service delivery. The successful partnership arrangements draw the strengths of the public and private sector to establish complementary relationships. The responsibilities of the partners may vary from one project to another for example, in some projects, the private sector partner are involved in all aspects of service delivery while in others the role of private and public sector partners differ on individual servicing initiatives, but the overall roles of government do not change (Colman, 2002). Public private partnership is one way of delivering public infrastructure and related services, it is not a substitute for effective governance and decision making by government. In all cases, government is responsible and accountable for delivering services and projects in a manner that protects and furthers the public interest. Typically, a private sector consortium forms a special company called “special purpose vehicle” (SPV) to develop, build, maintain and operate the asset for the contracted period (Zhen and Lewis, 2008). In cases where the government has invested in the project, it is but not always allotted an equity share in the SPV (Moszoro 2008). The consortium is made up of a building contractor, a maintenance company and bank lenders. It is the SPV that signs the contract with government and with sub-contractors to build the facility and then maintain it. In the infrastructure sector, complex arrangements and contracts that guarantee and secure the cash flows make PPP projects prime candidates for project financing. A typical example of PPP is a hospital building financed and constructed by a private developer and then leased to the hospital authority. The private developer then acts as landlord, providing housekeeping and other non-medical services while the hospital itself provides medical services (Burnett, 2007). In Nigeria, the social service is in a dire state because this inhibits investment and scale up the cost of business management (FGN, 2004). Inevitably, the paper explores factors that undermine the goals of Public Private Partnership initiative on the framework of Nigeria development quest.

Clarification of concepts

Public-private partnership

Public-private partnership (PPP) is an alternative method for the delivery of infrastructure and services in different parts of the world (Dada & Oladokun, 2008). PPP depicts a government service or private business venture funded and operated through a partnership of government in one or more private sector companies. These schemes are sometimes referred to as PPP or P3 (Harris, 2008). According to Cheung (2009) PPP is a procurement approach where the public and private sector join forces to deliver a public service or facility, expertise and resources are contributed by partners to the project and risks involved are shared amongst them. Egbewole (2011) explains that the private sector partner becomes involved in the development, financing, ownership and or operation of a public facility or service. PPP arrangements come in many forms but two categories are in use that is identified as institutionalized and contracting arrangements (Gunnigan and Rajput, 2010). The variants of PPP arrangements used for existing services and facilities procurement are Design-Build (DB), Design-Build Maintain (DBM), Build-Transfer Operate (BTO), and Design-Build-Operate-Maintain (DBOM) known as Build-Operate-Transfer (BOT). Some models such as Service contracts, Management contracts, Lease, Concession and Divestiture use for infrastructure procurement.

Social Service: is a set of program aimed at achieving some objectives and it relates to the social system in the goals of social policies. All social policies are directed towards change not only in the structure of society but for the living conditions of the people in the society. Social service programs are services provided by a governmental agency for welfare of persons or the community at large such as housing, child protection, free education and health care delivery. Social service programs and their delivery help the people with necessities to
attain self actualization and happiness (Ayo 1988). Social service encompasses improvement in the social status of the people and society in general. It necessitates in reality and not deceitful the provision of such services as health, education, housing, roads, portable water and electricity. It encompasses the “reduction of poverty, improvement of women and workers” (Olewe and Anga, 1994:165). Geol (1981) states that social service is a process of bringing community welfare through social change and the implementation of social policy decisions for the total welfare of the community. It encompasses every act, technique and consideration in the process necessary to transforming social policy. Donnison (1968) also states that during social services delivery, social legislation aimed at private philanthropy and religious charities into the dynamics of services and benefits for humanity are implemented. Currently, Nigeria has weak state supported social welfare system; hence, most people rely on the extended families in their old age. The medications are provided for government employees and few company workers in commercial enterprises while the rest of the populations are left on their own. Nigeria lack state supported social services system to support her citizens on emergency. Arguably, Nigeria’s fiscal arrangement to the three levels of government has problem of coordination in social service delivery.

Reform: connotes “change”, “improvement” in a given condition or state of affairs, change toward better conditions, it is synonymous with progress. Olewe (1995:2) states that reform is to bring ideas, plans, programmes into reality. Put differently, reform is the national transformations that aid positive changes. Everett (1989:841) described economic reform as a widely participatory process of directed social and economic change in a society, intended to bring about social change and material advancement like equality, freedom and other valued qualities for the majority of people through their gaining greater control over their environment. Thus, a good social service reform will bring national renewal through systematic and faithful implementation in the polity. It seeks to change the status quo that ought to be changed. It requires proper planning and implementation, if desired ends are to be attained. The economic reform is a planned process of bringing about improvement in a socio-economic and political order in a polity. The purpose of socio-economic reform is a comprehensive program of government geared towards transforming the structures and systems of public service for improved service delivery.

Types of public private partnership: nigerian Experience

The public private partnership initiative can be delineated from the current operation in Nigeria, the infrastructure development and revenue generation in which private sector collect revenue for state and local government seems to be a waste for instance the Obasanjo administration in managing capacity building for federal unity schools on information communication technology (ICT) and tax administration. Mabogunje (2007) identified that the seven types of public private partnership overlap in some cases; the variants of Public Private Partnership differ in allocation of responsibilities and risks between the state, private sector and duration. The seven types of PPP are build, own and operate (BOO), which makes the government to authorize private firms to build, own and operate an asset; Build, operate and transfer (BOT) is similar to BOO, but differs from it to the extent that the asset is transferred to the government after a period of time, reasonably enough for the private investor to recouped its investment; contracting out the provision of certain technical services by public sector to an external private company; concession of private firm for operating a service and collecting charges for a period of time. Aftermath, the public sector controls the construction and owns the fixed assets but contracts out to private sector organizations operation, maintenance and collection of service charges; leasing involves that one of the partners use equipment or assets belonging to either of them without purchasing the assets but pay a lease to the other partner. The private sector takes over the operation of the infrastructure using capacity of the public sector. The variants of Public Private Partnership initiative according to Mabogunje is concession by the dominant type operation. The reconstitution of infrastructural concession regulatory commission (ICRC) by President Umar
Yar’adua took a strategic step to overcome the infrastructural deficiency. The ICRC act was endorsed by President Obasanjo in 2005 to enhance private sector participation in financing development projects of federal tier through contractual arrangements. The infrastructure and human development investment is co-opted in 2009 budget of Yar’adua administration achieves a lot in this regard (Budget Speech, 2009). A typical example is Public Private Partnership initiative of 30 year old Lagos-Ibadan expressway conceded to Bi-Courtney highway services for managing 110 kilometer expressway, Lagos-Ibadan express-way, ancillary facilities for trucks, areas of convenience and communication equipment for road users. The manager Bi-Courtney Limited is expected to source N89.53 billion to prosecute the turn-around project executed on Build, Operate and Transfer (BOT) arrangement span for 25 year period. The investment on the project will be recovered through tolls to be charged on the highway subject to regulatory guidance from the federal government. The rehabilitation of Murtala Muhammed Abuja International airport with Messers Bi-Courtney Consortium, and two run ways in the airport and the outer expressway from Zuba through Kubwa to Asokoro in FCT, Abuja. The federal government will provide 40%, contractors will source for 60% cost of the project during which if completed will generate 25,000 job to boost commercial activities within and around Abuja. The reconstruction of second Niger Bridge in Onitsha will gulp N4.3 billion counterpart funds and Guto-Bagana Bridge across River Benue. The federal government will mobilize them with N3.6 billion funding through PPP arrangement (Budget speech, 2009). Consequently, the PPP initiative road projects are Shagamu-Benin, Lagos-Badagry, Abuja-Kaduna-Kano roads. The National Food Reserve Agency (NFRA) adopts the initiative to manage silos and reservation facilities. The completion of the projects was not captured and this will go a long way to make Nigeria an investment destination for the conditions of its citizen.

The framework of PPPs

PPP involves public and private sectors in partnership with each other (Harris, 2003). This is a partnership between public sector and private sector investors for the purpose of designing, planning, financing, constructing, and operating infrastructure facilities or related services.

PPPs build on the experience of each partner to meet defined needs and provide a net benefit to the general public through appropriate allocation of resources, risks and rewards (Leiringer, 2003). It unbinds the costs and the risks inherent in to deliver the project and allocate them to the partner and absorb them. The ability of public and private sector to partner effectively mitigates each to govern the allocation of risk. Public organizations engage private sector in many ways such as contracting for manpower, service outsourcing. PPP work with private sector to deliver services particularly in the development of new physical assets, it refers to long-term partnering relationships between the public and private sector to deliver services.

In PPP, the private sector provides a wider range of services over a long contract period between 15 and 30 years (Harris, 2003). This came through collaboration with private sector; public services can be delivered in value for money by making optimal use of the public and private sectors expertise, resources and innovation to meet public needs effectively and efficiently. The reason for establishing such partnerships vary but generally involve the financing, design, construction, operation and maintenance of public infrastructure, facilities and services. In other words, PPPs are not just about private sector financing capital projects in return for an income stream, but the use of private sector skills and management expertise to deliver and operate public projects more efficiently over their lifetime. The underlying logic for establishing partnerships is that public and private sector has unique characteristics that provide them with advantages in specific aspects of service delivery (Leiringer, 2003). The most successful partnership draw public and private sector to complement relationships, while the responsibilities of the private and public sector partners differ on individual servicing initiatives, the overall responsibilities of public sector do not change.
PPP is one way of delivering public infrastructure, facilities and related services. It is not a substitute for strong and effective governance and decision making by government. In all cases, government remains responsible and accountable for delivering services and projects in a manner that protects and furthers the public interest (Chan et al., 2008).

**Theoretical framework**

The framework adopted for this paper is the theory of dualism as propounded by Professor Boeke of Netherlands in 18th century, when the western style of agricultural plantation was introduced by the Dutch in Indonesia, and this was discovered after few years of western system that plantation failed woefully (Skills, 1972:459). The theory argues that economic laws valid in advanced capitalist nations may not work in underdeveloped countries. The social service in capitalist nations facilitates development in an environment with appropriate institution and value system. The theory contends that western strategy of socio-economic development in 3rd world countries are characterized by:

- Enthusiasm and high expectation,
- Resource are mobilized for its success,
- Government justify through massive propaganda network,
- Little success is achieved in the implementation process,
- The economic condition of the people deteriorates,
- The government is more authoritarian to survive (Ujo 2007:5).

The Marshal Plan led to the reconstruction of Western Europe within few years after 2nd world war was adopted for the development of post-colonial African states did not succeed. The development strategies of United Nations Development Decade, New International Economic Order and the Brandt Report did not achieve result in Africa. The structural and attitudinal factors that negate development process were on the Western strategy based on poor basic institutions, inadequate manpower, corruption, non value system. Some scholars like Riggs (1974); Whitaker, (1970) confirms the theory of dualism in Nigeria economic policies in relation to democratic process are:

- The basis of the policy is on western development strategy.
- Massive resources were deployed for its success.
- Propaganda mechanism of state was mobilized for success.
- The policy makes few Nigerians rich and majority poor.
- The pace of poverty level between 1999 and 2009
- Most industries closed down due to unemployment.
- Social services like power, water and roads have deteriorated.
- There is a steady rise in anti-social activities.
- There is a big wave in armed robbery
- Corruption was on the increase (Ujo, 2007:5-6)

In the contemporary political and economic systems most 3rd world countries adopted the Western strategy of socio-economic development with the hope that development will occur. The structural institutions and behavioural factors in realizing the strategic aims were impossible because the institutions are weak. These two tendencies exist in 3rd world countries and the economies and politics of underdeveloped countries must consider the two factors (Ujo, 2007:4).

**Public private partnership development in nigeria**

The primary agent for development with little or no role assigned to the Private sector in the development is endowed in the Public sector with the dominant role of developmentalism to political economy of post-colonial Africa in early 80s (Mabogunje, 2007, Olukoshi, 2003). The state enterprises own by the state could not impact to the development of the economy despite huge capital investment in operation. Accordingly, successive regimes in Nigeria invested N800 billion in these enterprises while the annual returns was below 10% of the investment capital (BPE, 2000).
The exclusive state of infrastructure continued in Babangida administration through Directorate for Food, Roads and Rural Infrastructure (DFRRI) to improve rural dwellers, but in 1987, DFRRI received a budgetary allocation of N400 million while N500 million was allocated to them in 1988 to improve on the development of agriculture in rural areas. The budgetary votes to DFRRI states that the agency received higher allocation than most ministries and parastatals in Nigeria for instance, education ministry gets N4 million in 1987 and N3.02 million in 1988. Similarly, health ministry got N166.9 million in 1987 and N259.9 million in 1988. It was only in defence ministry that voted N717.6 million in 1987 and N830 million in 1988 higher than DFRRI (Ake, 2001). The signs of the waning capacity as the sole provider of infrastructure finance began to manifest in 1983, with the economy having a serious crisis. This crisis has severe depth since the creation of Nigeria-state as Anglocolonial project (Bangura, 1982).

Nigeria witnessed decline in capacity for social and infrastructure provision; this led to increased legitimacy crisis of the state (Jega, 2000, Amin, 1996). The oil boom enhances legitimacy through massive public expenditure in critical sectors of the economy like construction, commerce, industry, banking and social service delivery. The collapse of global oil market in early 80s brought sharp reduction in oil earnings from N10.1 billion in 1979 to N5.161 billion in 1982. This spawned a major crisis with many industries closed down, while some operate below installed capacity utilization (Olukoshi, 1993). The economy slides in the crisis over the increase percentage of budget deficit grew to 12 % GDP in 1983, all efforts to stabilize the tide of economic crises act of 1982 during Shagari administration in Nigeria. The World Bank adopts Structural Adjustment Program in July 1986 (Ake, 2001), the implementation of SAP adjusts the need to generate surplus to pay their debts and restructure the economy along neo-liberal lines (UNRISD, 1995). The reduction in public expenditure is a major component and funding of infrastructure adversely affects the decline of SAP (Ake, 2001 Kukah, 1999).

Public Private Partnership as initiated by President Obasanjo is an economic reform to shift from socialist character economy to free market economy with neo-liberal policies of deregulation, privatization, monetization and right-sizing of public bureaucracy as policy agenda of the government. In these reforms, state utilities were crippled dysfunctional with corruption, inefficiency, indebtedness with no audit account for decades. The anniversary of civil rule in Nigeria indicates that federal government had about 600 state enterprises in all sectors of the economy. Most of them are in a parlous state with unimpressive records of under-performance, a drain-pipe to national treasury (FRN, 2000). Most public infrastructure suffered state neglect leading to infrastructural decay on social service delivery. Most scholars and practitioners blame social service delivery on poor funding in states and local government from federation accounts. The budgetary allocation from 1999 to 2007 in 36 states of Nigeria and Abuja, and 774 local government councils reveals that Nigeria is running an un-federal fiscal federalism. The oil producing states feel marginalized as most of the resources from oil proceeds are meant for the central authority while few percentages are for the host communities. The internally generated revenue of the oil producing states could not attend to their development needs and this situation applies to other states. The high concentration of federal wealth to central government has bogged down national development in Nigeria. The federal government in providing social services nationwide assumes more responsibilities like shelter, roads, transportation facilities; water supply amongst others is the exclusive power of federal tier. Inevitably the functional responsibilities outweigh the available resources in line with fund from the federation account. The internally generated revenue of the states and local governments and federal money are not enough to match the responsibilities of social services.

### Financial positions of three tiers of government between 1999-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Fed. Govt</th>
<th>36 States &amp; FCT</th>
<th>LG &amp; FCT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>154,633,681,769.66</td>
<td>89,719,045,266.37</td>
<td>41,936,047,771.85</td>
<td>131,655,093,038.22</td>
</tr>
</tbody>
</table>
Despite the fact that the federal government kept about N7,390,688,951,768.72, the state received N5,742,903,843,313.33 and local government received N3,313,534,856,541.79 from the federation account within the periods from 1999 to 2007 financial years to provide social services to Nigerians, their performance remain poor. The table indicates that fund accruing to the oil-producing states of South-South excluding derivation fund have been constant and relatively small, compared to other geo-political zones of North West and North Central. The distributional inequality is attributed to allocation formula based on land mass. Again, it is pertinent to review the performance of social service delivery since the inception of democratic dispensation.

**The place of public private partnership in nigeria**

Public Private Partnership relieves Nigeria from biting effects of global financial crisis even as it gives the private sector a stake in the management of the economy basically on the area of infrastructure provision and management. Neo-liberal scholars contend that private sector offers prospects to developing economies for rapid economic growth in a competitive market conditions (Moran, 1986). However, the efficacy of Public Private Partnership strategy on infrastructure development in Nigeria context to positive factors without which the gains derivable from the initiative becomes elusive. A functional institution is the factor of Public Private Partnership and this significantly shapes the implementation of public policies as they stabilize the process of policy making in Nigeria (Bullock et al, 1983).

The regulation is a factor in public private partnership especially on low-income economies with weak regulatory mechanisms (World Bank, 2000). The World Bank has document on economies with political stability, and the process of altering laws, property rights protection and judicial system preferred investment destinations and record higher economic growth than countries where these attribute are lacking. In the context of Public Private Partnership, institutions are conceived as formal and informal rules that govern the actions of actors in PPP framework (Sampson, 2008). This institutional infrastructure contains unwritten codes of behavior that encourages cooperation and enforceable legal rules that guarantee the contractual obligations enforced. The existence of institutional framework encourages private investors to provide financial investment required (Oyesiku, 2009).

Consequently, the concession process led to handing over public utilities to private sector managers. All the major stakeholders and users of public assets on concession are involved in the process to allay fears of jobless and prohibitive user charges. This process help to prevent avoidable post-concession protests as witnessed in handing over Tafawa Balewa Square, Lagos and the old domestic terminal of Murtala Mohammed Airport to new private sector managers. The infrastructure concession regulatory commission had a meeting on Nigeria Public Private Partnership program to sustain inputs of stakeholders in the Public Private Partnership process. The Public Private Partnership needs a transparent process necessary to repose confidence among the participants on the initiative with regards to risk sharing. The requisite for transparency in Public Private Partnership process is to improve on the extant regional practice where regimes are not open to international investment agreements (Keet, 2008).
Conclusion and suggestion

Undoubtedly, the global financial crisis underscored the collapse of corporate bodies’ particularly large financial institutions that constitute global economy. Public Private Partnership (PPP) initiative is a strategy for alternative sources of public infrastructure especially for developing economies. The consequences of economic global meltdown impact negatively on economic development with high rate of unemployment, inflation and crash stock markets. Public Private Partnership is where state openly provides financing of public infrastructure through private sector investment. Public Private Partnership re-defines the role of state in infrastructure provision to transform its status from a provider to enabler in the neo-liberal ideology of market economy. The height of Public Private Partnership rests on the availability of certain positive factors like business environment; regulatory framework and efficient public sector as crucial factors to achieve the gains of Public Private Partnership. The potential of Nigeria as one of the 20 biggest economies in the world offers opportunities for returns on investment; the challenge of Nigeria is to transform this to concrete reality.

References

Human Capacity Building in Nigerian Ministries, Departments and Agencies (MDAS)

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Abstract

The efficiency and effectiveness in every Ministries Departments and Agencies (MDAs) depends on the right quality of people packaged and utilized to increase output. The bureaucratic and administrative theory as propounded by “Weber” states that recruitment and selection into public organization is embedded on qualification, experience and competency as avenue for sustainable development. Undoubtedly, meritocracy has been buried on the altar of mediocrity; square peg has been paired in a round hole of plural entity. The ideology of federal character principle, quota system, and political godfatherism on the aegis of tribe, sex and religious affiliation is a bearing to secure job in Nigeria. Theoretically, it is no longer right quality human capacity recruitment; it is cognitive melodrama of man-no-man syndrome is an edge to get job in Nigerian public sector whether experienced or inexperienced. The paper explores the concept, performance and challenges affecting human capacity in Nigeria and system theory were adopted as framework. The paper suggests ways to enhance improvement on human capacity in Nigeria MDAs.

Keywords: Departments, Ministries, Agencies, Utilization and Development

Introduction

Human capacity is the mixture of human and physical resources to achieve greater output; it involves the ability of employees to discharge their primary function in an organization (Lawal, 2006). Human capacity forecast the future of human components through planning, organizing, directing and controlling procurements with blueprint to acquire skills and well-motivated workforce to achieve organizational goals (http://www.ehow.com). It is an approach to address multi-dimension aspects of employees, ranging from enhancing technical and interpersonal skills to creative thinking (Nwachukwu, 1988). Any organizations with high input and output is sure of quality capacity as an integral part of their culture directed towards career growth focused on the present and future personnel of the organization (Cole, 2002). MDAs provide social service as separate entity is Nigeria is dated back in 1950 when the colonial masters convert railways, ports authority and Electricity Company of Nigeria to public corporations to enhance performance (Kaul, 2003). In Nigeria, MDAs compete side by side with private companies and this indicates that the private firms performed better than public organization; this has been attributed to high skilled human capacity. Some report indicates that private organizations employ the best brains and invest more on training programmes to update the knowledge of workers (Muhtar, 1997). The practice in public organization is low level commitment and this has no impact in the organizational performance. In Nigeria, public service has been relegated to second fiddle due to inadequate human capacity and manpower development. As Orewa and Adewumi (1983) states that the style of recruitment and promotion in Nigeria is anchored on the aegis of federal character principle, quota system, godfatherism, political patronage amongst others, this has inculcate redundancy and dead wood in the system. The carrot and stick approach applied to erring
staff found wanting in their duty post is no longer in vogue; the political actors and military junta come and go; but a civil servant is answerable to any government in power (AGIP) for survival. The public servant oils the wheel of governance, but if they fail to guide politicians towards people-oriented policy choices; the chance of sustainable development becomes dim and slim (Ubeku, 1986). It has been observed that political appointees in some MDAs use part of their budgetary allocations to compensate their kits and kinsmen. The poor motivation of staff is attributed primarily on poor funding, unskilled manpower due to politicking during recruitment, the misfits are brought in the system as unproductive employee in Nigeria bureaucracy. The paper examine factors that has been derailing MDAS in Nigeria that makes the public sector unproductive and equally proffer solutions to provide services delivery in Nigeria.

**Concept of capacity building**

Capacity building helps to ensure that members of the organization posses the knowledge and skills they need to perform their jobs effectively, and take on new responsibilities to adapt change conditions (Jones et al 2000). It is argued that training helps to improve quality, satisfaction, productivity, morale management succession, development and profitability (http://www.business balls.com/traindev.htm). The concept capacity refers to people, institutions that make an organization to achieve and transform goals. It involves planning, organizing, directing and controlling of man and material components; it is a blueprint to acquire well-motivated workforce operation in the enterprise to achieve organizational goals (Flippo, 1981). In human capacity building the ability to identify and analyze problems, make rational choices, proffer solutions and carry out actions designed to achieve set objectives (World Bank, 1996). The human capacity building is the planning, identifying and selecting options, executing, monitoring and evaluating implementation of plans as a supply-side of equation while capacity utilization is on demand side anchored on the overall development process (Akinola, 1997). Human capacity is the utilization of people’s ability, institutions and practices within an organization or nation; this strengthens the ability for progressive change. Human capacity is embracing and this describes a distinctive approach to manage people in organizational context (Akinola, 1997, Price, 2004). Onah (2003) assert that every manager must work effectively with people and solve the management functions in the areas of organizational behavior, motivation, training, collective bargaining, labour laws, income security and personnel administration. He further states that human capacity is pivot in organizational production to enhance economic development and service delivery. The objective of human capacity is to develop the talent of workers to achieve organizational goal. Human capacity is known as personnel administration designed to enhance effectiveness in organization, it involves the use of various activities for effective management of man for the benefits of the society. The concept of human capacity indicates the nature of relationship between management and employees unions placed in the context of industrialization to shape them (Schuler, 2001 :122). Truss in McGregor (1960)assert that human capacity is anchored on the theory “X and Y ”, theory “X” control model of management while theory “Y ”integrate the need to participate and commit in organization (Truss, 1999). According to Ogunna (2007) Human capacity in MDAs is dependent on the factors of technology, motivation, resources on the optimum use of personnel, professional and technical competence of the workers. The international labour office (2000) assert that capacity building improves the prospect to find and retain a worker, output, income capacity to widen the standard of living and career choices for opportunities. Human capacity building is where an employee grew in the job through acquisition of wide experience breadth and increase confidence resulting from the exercise of valued and tested responsibilities. These enable employees reach the echelon to achieve best in his profession. This can only be achieved through performance management as Clark (2005:318) posits that the essence of performance management is to establish a framework in which performance of human capital can be directed, monitored, motivated link in the circle that can be audited (Dessler, 2008:294).
Forms of capacity building

In any organization the capacity building takes different forms Okunola (2002), Fajana (2002) and Armstrong (2003) identified the following in governmental setting as follows:

- Pre-service training. This training is directed at providing technical-knowhow for the clientele before assumption of full employment or deployment to a new office. It is therefore a preparation process for a worker to take higher responsibility for effective service delivery.

- Induction and on-the-job training. This is aimed primarily at familiarizing newly employed workers with organizational set up, administration, policies, philosophy and methods of work. It is also concerned with the day-to-day work experiences administered through case studies/conferences, demonstration, mentoring, visits and working on actual situation.

- In-service or off-the-job-training- is organized to keep workers up to date with ideas and discoveries in the workplace or profession usually through short courses, seminars and workshops, study tours, newsletters, group exercises etc.

- Professional or graduate training- is usually organized to enhance efficiency and also to enable workers acquire higher responsibilities such as nomination of a worker with diploma certificate to acquire a university degree, Master or Doctor of Philosophy (Ph.D)Degree.

- Systematic training is the form of training that is specifically designed, planned and implemented to meet defined workers need. It is usually provided by experts who already know how to train and give meaning to specific areas of workers interest. A worker with typing skills who desire to update his competence with computer skills to cope with the new Information Communication Technology (ICT)trends is a clear example of the systematic form of training.

Human capacity building in nigeria MDAs

The performance of human capacity determines the success of the public enterprise, Baadi (1984) states that the aim of development is to change the employee behaviour on the job to improve efficiency in the sector. The contribution achieved by developing human capacity improve the performance on present job, attitude formation channeling employees’ attitudes towards achievement of organizational goals, develop the operational workers and supervisors with labour turnover to checkmate absenteeism and grievance among workers, job enrichment, moral building to treat human needs. Human capacity provides present and future manpower needs of the organization by improving their skills in a specific task (Chukwuemeka, 1988). However, education increase the knowledge to understand work environment, the ability of developing employees, acquire skill in performing present task, responsibilities and authority result to increase output to improve performance on these assumptions:

- There is inadequate investment by government on human capacity in MDAs.
- Employees in MDAs are not motivated to participate in human capacity programs.

Human capacity building is the basic role of personnel management to achieve and realize organizational goals of various exogenous and endogenous variables of personnel activities; this led to the establishment of Human Resource Management in public organization (Okoli, 2000, Onyishi, 2002). The performance of human capacity to attain organizational objectives cannot be over-emphasized; Onah, (2002) and Ofoegbu (1985) amplified that a firm can mobilize all its capital inputs and still out of production, but the decision of capital mobilization is human capacity decision. The inanimate factors of production assembled in operational system are the handiwork of human act conceived by human genius realized by human efforts. The process determine goals, make investment choices, direct work effort on daily basis, maintain and service equipment fall squarely on the human capacity of an organization. It is argued that man is the main instruments for realizing organizational objectives. It is necessary to stress that in MDAs, the performance of human capacity in
attaining goals is significant since MDAS is labor intensive organization organized and motivated to fulfill its responsibilities (Ezeani and Nwankwo, 2002). The ills of MDA must remedy human capacity problems to enhance healthy work force in Nigeria.

**Theoretical framework**

The theory adopted systems theory as the framework of this paper as propounded by Easton (1953), Koontz (1983), Laximikanth (2006). The theory states different part that makes up a whole, this is an assemblage of things inter-connected to form a complex unit. The system is a complex whole having parts called sub-system which is inter-related and interdependent for their functioning. It has a defined boundary to interact within environment; and the external environment is known as supra-system. It has five basic parts input, process, output, feedback and environment below.

**Sources:** Koontz (1983).

The system receive input from the environment and sends output to the environment after transformation process, however the system adjusts continuously to changes in the environment. These facilitate feedback mechanism, the balance between system and its environment is cyclical (Koontz, 1983). The output challenges bureaucrats face are indiscipline, corruption, truancy, lateness, absenteeism, embezzlement, idleness, poor remuneration, low output, workforce diversity, and mediocrity serves as feedback with time on different trends.

**The Challenges of Human Capacity Building in Nigeria MDAs** Ogunna (2007) state factors derailing human capacity in Nigeria MDAs are:

It has been observed that human capacity may be examine from two different angles, first, as a function or responsibility of every manager or supervisor who has people under him all of whom are working towards the achievement of desired goals. As a function in an organization which is performed by particular department, the personnel department. Deriving the above extract, there are problems of the personnel departments of the local government and there problems which the staff of the local government encounter. On the basis of the latter, Ogunna (1996) referred to it as personnel problem of the MDA among
which are low pay, lack of adequate incentives and motivation, low prestige image. Their job
is not challenging to bring out the best in them, they do not enjoy equal treatment with the
state civil servants etc. on the former, he summarized as low executive capacity as they have
only administrative staff and lack specialist, technicians, engineers etc. Again, there is an
inadequate facility for staff training even the malfeasance of favouritism in the appointment
and promotion of staff. Onyishi (2002) blamed the problems of personnel department of the
MDA on over centralization hence lumping seldom makes staff assessment efficient. Onah
(2002) pointed that political interference from states and influence of ethnicity, favouritism
and nepotism. Majority, irregular payment of staff salaries and total absence of fringe benefits
and physical working conditions which are usually very poor all impacts negatively on the
personnel management of the councils.

The salaries, wages and allowances paid to workers are abysmally very low, it is a
worrisome situation among MDA staff and they are attributable to this scenario. A situation
where politicians earn huge amount of money every month while the public servants earn
meagre amount that cannot cater for the well being of their individual families. In an attempt
to meet with the challenges they engage in all forms of negative actions in one form of private
business or the other for survival. The low salaries paid to workers at the MDAs worsened the
high rate of inflation to difficult the lives of workers. This is compounded with nonpayment
of staff salaries and allowance due to zero statutory allocations from federation account
(Orewa and Adewunmi, 1983).

The colonial mentality among bureaucrats has retards productivity among MDA staff, the
notion that government work is not a personal work or community work is in memory of most
employees. According to Obikeze (2011), this strategy is devised by some people to resist the
manipulation from the colonial masters. The employees’ exhibit high rate of absenteeism,
lateness, truancy even when in the office could not produce much, all this attempt to frustrate
the colonial masters. The casual reflection of every public institution is corruption, inexperience,
low output, embezzlement, inefficiency heading to total collapse (Obikeze 2011). However,
in an attempt to improve the living conditions of the work force in Nigeria, National
Minimum wage was signed into law by President Jonathan to increase the moral of worker to
make them productive, yet this idea are being frustrated at all levels especially from most
governors of various states that they are unable to pay the new wages to workers. In Nigeria,
the quest for material wealth is an end itself; people join public service as a means to amass
wealth. However, the fund set aside for provision of amenities are diverted into personal
pockets, this has breeds all forms of imaginable corruption. The 3rd Media trust annual
dialogue, Nuhu Ribadu, former Chairman, Economic and Financial Crime Commission
(EFCC), states that the trouble with Nigeria is corruption in the public sector (Jega 2005:9).
The military administration of Murtala and Obsanjo 1975 carried out unprecedented purge in
public service. This ruined their moral and impact negatively on efficiency and effectiveness
(Ujomu 2000). The Buhari and Idiagbon military regime made an effort to reduce the
consequences purge but end up mere scratch in the surface. The civilian administration in the
Fourth Republic 1999 has not done much.

Non involvement of subordinates in decision making in the administrative class of MDAs
demonstrates a high degree of authoritarian. The leadership style negating the notion that if
the employees were carried along to give them sense of belonging and motivate them to
enhance productivity (Nnadozie, 2004). The leadership style in the Nigerian MDAS produces
aloofness, alienation as people are not carried along, apathy and high degree of frustration
among the staff. The public servants should concern it with means and not ends; doing things
well as pre-determined, not with deciding what things to do well. But today, administrators to
some degree cannot limit themselves to merely executing the policies of the executive arm
well. Berkley (1981:14) puts it that the complexity of their craft forces them to create policy
as well. And they cannot ignore the political system within which they operate. Since the
public service imposes itself and influence other aspect of the citizenry. The debate to
enhance productivity in public sector has gathered momentum for the past 10 years as a central theme of public administration in Nigeria.

Non-politically neutrality among professional in MDAs is rare in Nigeria (Ejiofor, 1987), the political leaders are under intense pressure to reward their supporters; few political leaders accept the premise of a neutral public service. It is logical that incoming leaders would view incumbent senior public servants as part and parcel of the regime they succeed. The incoming leaders would want to shape the ideological direction of the MDAs to ease control (Okoh, 1998). The problem between public servants and political leaders in Nigeria has been frictional resistance, ministers, commissioners with executive of the departments and agencies under their custody has difficult to reconcile their spheres of responsibility. The career officers assume superiority and self-relevance to politicians who appoint them because the politicians have poor academic background while career civil servants posses such quality. The politicians are blamed for not remedying the situation; some politicians never have chance to work with professional or make a valuable contribution on the process of nation-building (Katako, 1971:417). In Nigeria, MDA constitute a major component of the annual budget except on few occasions when there is an increment in salaries without a major downsize in civil service staff (Guardian, May 11, 2005). The present democratic administration has come to grips that all efforts to attract the most skilled employees to bureaucratic position necessitate slim in the size of MDAs. The government does not have sufficient funds to finance all the policies and programmes as promised, most social service policy in Nigeria are under-funded (New Age, June 17, 2005). It is a routine practice to measure competency in the private sector; and this is not the case in the public sector. Berkley (1981 : 305)unraveled some behind the reluctance, ranging from intangibility of the products, inability to distinguish efficiency and effectiveness, legal restriction on the public sector to lack of precise definition. Weber (1947) describes the public sector as “a legal entity operating on calculable rules, and staffed by professionals. It has uniform and non-personal methods of performing its functions. It is criticized for low productivity, due mainly to political, institutional, and sociological factors. The problems are found in large degree of public service, but there have been no concerted efforts to redress it as public and civil servants.

The structure and fiscal capacity in nigeria MDAs

Human capacity is focused on public and private sector organizations globally with special reference in Nigeria (Vansant, et al 2004). Human capacity building identifies organizational plans, number of personnel in place and personnel required in future, identify internal and external sources to draw potential for recruitment and placement, development and appraisal. Human capacity building consist of putting the right number of people, the right kind of people at the right place, doing the right things for which they are suited for the achievement or organizational goals (Muhammed, 2004, Dauda 2003). The current restructuring in federal civil service saw the need for manpower planning and utilization to realize the goals on reform agenda of the present administration. In Human Resources Management, Audit and Monitoring was newly created in office of the Head of the Civil Service of the Federation to carry out human capital and manpower service. The office audit human capacity, research and advice on manpower needs, deploy and utilize the capacity in public service (Omodia, 2005). They carryout assessment on professional competency and capabilities in public service to make recommendations on who to confirm, retain or withdraw in the service for poor output. This assessment is a requirement for human capital development aimed at establishing the quality of employees’ performance and determines their career progression (Yalokwu, 2000, Nongo, 2005). The civil service is an organized federal ministry, headed by a minister appointed by the president as the political head on the aegis of one nominee each from the 36 states and Abuja in the Federal Executive Council (FEC). The President nominates and appoints minister and sent to two chambers of the national assembly for confirmation. The minister serves as the political head of every ministry; with an assistant known as minister of state (junior minister) in each ministry and permanent secretary who is a career officer. Every
ministry is attached to various departments and agencies of government. Some MDAs is attached to office of the Presidency like INEC, EFCC, Federal Civil Service Commission; and other six units that provide services to departments in civil services like:

- Establishments & Record Office (E&RO)
- Career Management Office (CMO)
- Manpower Development Office (MDO)
- Management Services Office (MSO)
- Common Services Office (CSO)
- Bureau of Public Service Reforms (BPSR)

The 2008 budget for Ministries, Departments and Agencies in Nigeria

<table>
<thead>
<tr>
<th>MDA (Ministry, Department or Agency)</th>
<th>Budget (Naira)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture &amp; Water Resources</td>
<td>113,673,666,845</td>
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<tr>
<td>Auditor-General</td>
<td>2,477,435,789</td>
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<td>Code of Conduct Bureau</td>
<td>1,126,777,207</td>
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<tr>
<td>Commerce and Industry</td>
<td>7,758,202,700</td>
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<td>Culture &amp; National Orientation</td>
<td>11,655,900,664</td>
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<td>Defence</td>
<td>151,940,617,034</td>
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<tr>
<td>Education</td>
<td>210,444,818,579</td>
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<tr>
<td>Energy</td>
<td>139,783,534,336</td>
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<tr>
<td>Environment, Housing and Urban Development</td>
<td>15,915,443,907</td>
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<td>Federal Capital Territory</td>
<td>37,958,110,000</td>
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<td>Federal Character Commission</td>
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<td>Federal Civil Service Commission</td>
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<td>Health</td>
<td>138,179,657,132</td>
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<td>Transportation</td>
<td>124,444,316,123</td>
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<td>Finance</td>
<td>11,777,469,168</td>
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<td>Foreign &amp; Intergovernmental Affairs</td>
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<td>Independent Corrupts Practices Commission</td>
<td>3,588,338,165</td>
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<td>Independent National Electoral Commission</td>
<td>12,693,517,785</td>
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<td>Information &amp; Communications</td>
<td>18,183,376,503</td>
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<td>Interior</td>
<td>266,371,519,798</td>
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<td>Justice</td>
<td>12,695,948,416</td>
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<td>Labour and Productivity</td>
<td>6,142,634,383</td>
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<tr>
<td>Mines and Steel Development</td>
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<td>National Planning Commission</td>
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<td>National Population Commission</td>
<td>5,219,851,968</td>
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<td>National Salaries, Income and Wages Commission</td>
<td>441,347,573</td>
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<td>National Sports Commission</td>
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<td>Office of the Head of the Civil Service</td>
<td>6,836,928,125</td>
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<td>Police Service Commission</td>
<td>599,570,075</td>
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<td>Public Complaints Commission</td>
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<td>Revenue mobilization allocation and fiscal commission</td>
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<td>Science and Technology</td>
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<td>Women Affairs</td>
<td>2,288,935,104</td>
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<tr>
<td>Youth Development</td>
<td>45,591,142,712</td>
</tr>
</tbody>
</table>

**Sources: Federal Ministry of Finance Bulletin 2008**

**Human capacity building and labour relation in nigeria**

Nigeria has made concerted efforts in building workers capacity at different levels to increase efficiency. This is because, the advantages of harnessing human resource in any nation is the most critical factor in the development process (NISER, 2001). This development made Nigerian government to collaborate with different world bodies to access
manpower development at the global level. The government took various steps by establishing Federal manpower board and management services and training department of Federal Civil Service to meet the training need of workers.

These departments handle matters of policy formulation in respect to human resource development in the service. The National Council on establishment coordinates measures to achieve results on human resource development (HRD). Some various institutions have been established to play vital roles in capacity building programmes in Nigeria. Bur (1992) enumerated some of these training agencies as follows:

- The external aid agencies (Bureau for external aid).
- Scholarship board.
- Universities, Polytechnic or Colleges of Education.
- Planning and Budget office in the P residency.
- Professional organizations like Institute of Chartered Accountant of Nigeria (ICAN), Association of National Accountants of Nigeria (ANAN), Nigerian Institute of Management (NIM), Nigerian Institute of Safety Professionals (NISP), and Nigerian Institute of Public Relations (NIPR).
- Public Service Institutions Like Nigeria Institute for Training and Development (NITD), Administrative Staff College of Nigeria (ASCON), Centre for Management and Development (CMD), Agriculture and Rural Management Training Institute (ARMTI), ITF, National Institute for Policy and Strategic Studies (NIPSS), Command and Staff College, Nigerian Defence Academy (NDA) etc. Management Consultants

The Federal Establishment Circular (2011) states that similar other bodies that handles training of senior and management training cadres are ASCON, NIPSS, CMD and ARMTI are concerned with the building of workers capacity in Nigeria. However, the result of various reforms in the service, matters of training is now a shared responsibility between the federal civil service commission, ministries, departments and agencies (MDAs) to build workers capacity in recent times.

Conclusion and recommendation

The human capacity building has not impact in public organization through specific, project related, organizational related and job specific in the entire organization. This relates to machine, equipment, people, institutions relevant to economic development through training, utilization and retaining of managerial, professional and technical expert in the sector.

The political office holders should stop interfering on the activities of public servants, their undue interference is breeding indiscipline that brings low productivity as politicians influence the bureaucrats; top officials employ their loyalist and supporters who are not qualified. In other words, the job of civil service is used to compensate party supporters in high places.

Public bureaucracy should use improved technology in recruitment such as e-recruitment, computer information storage and reforming other task that will reduce the challenge of low productivity as competent people will be employed, These will reduce the level of corruption to an extent because a computerize bureaucracy will be devoid of ghost workers.

The establishment of an administrative commissioner would go a long way to address cases of conflicts, corrupt practices, and unreasonable political interference, especially by some inexperienced political advisers in state and federal public service. Finally, public service should train and retrain staff for operation to strategic management for service delivery to meet the challenges of technology and globalization to improve their capacity building.
References


Evaluation of Good Financial Health Management Practices and its contribution to Program Implementation Rate for Small NGOs Supported by Donors in Malawi

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Abstract

Financial health management practices involves the management of the six key variables according to this research work which includes budgeting and planning, accounting system, internal control, financial reporting, grant management and staffing. Most nongovernmental organizations (NGOs) do not manage these variables and this has been a major obstacle to their programs implementation rate.

The study evaluates the effects of financial health management practices on implementation rate for NGOs. The study utilized a diagnostic research design and it’s a single case study targeted Malawi Girl Guide association (MAGGA) one of the NGO listed and registered in Malawi. Data was obtained through questionnaire and from document analysis of consolidated financial reports of years ending December: 2010, 2011, 2012 and 2013. Both qualitative and quantitative analyses were carried out on the data to determine the relationships between components of financial health management practices and the program implementation rate of the NGO.

The study established that financial health management practices was strongly related to high implementation rate. Implementation rate of an NGO depends upon effective financial health management practices. Furthermore, contrary to the expectation of the researcher, the research has further established that donors also contribute to poor implementation rate by late funding the NGOs supplemented by lack of program monitoring visits, spot check and lack of capacity building for implementing NGOs. These are the major constraints the NGOs face when implementing donor funded programs. The study therefore recommended that NGOs should focus on strengthening financial health management practices and encourage donors to disburse funds on time and make sure to carry out assurance activities like program monitoring, spot check visits, auditing and capacity building to minimise financial risks.

Keywords: Planning and Budgeting; Accounting system, Grant management, Internal Control; Financial Reports, Staffing, Implementation rate, Nongovernmental Organization.

Introduction

Background

Non-Governmental Organizations (NGOs) have existed in many forms over centuries. In developing countries where they appear to be needed most they are progressively receiving more significant recognition as the ‘third sector’. NGOs are now increasingly and uniquely recognized by statute in a most countries. Traditionally non-profit organizations in the Commonwealth have been able to establish themselves mainly and simply as legal entities such as trusts or companies limited by guarantee. However in the past two decades a variety of legislation has been introduced in a number of countries setting out standards which they should follow, some of which has been controversial.

Tvedt observed that NGO is a term “for all organizations within the aid channel that are institutionally separate from the state apparatus and are non-profit-distributing.” (ibid. 12) Tvedt specifies that ‘to be within the aid channel’ means that the organization gets funding from the aid system; those organizations that get funding are in, and those that do not, are out (Tvedt 1998, 12; Tvedt 2006, 685). These boundaries are material boundaries, largely controlled by donors and they may shift according to the donor policies (Tvedt 2006, 685).
The NGO Board of Malawi is a Statutory Body established by section 6 of Non-Governmental Organizations Act (Cap 5:05 of Laws of Malawi) to register and regulate the operations of all NGOs in Malawi. The NGO Act was passed in Parliament and assented by the 27th January, 2001. All NGOs activities in Malawi are currently coordinated through the Office of the President and Cabinet (OPC).

The Non-Governmental Organization Act, which was introduced in 2001 as stated above, requires that all international and national NGOs working in Malawi register with the Council for Non-Governmental Organizations in Malawi (CONGOMA) and the NGO Board of Malawi. CONGOMA is a designated NGO coordinating body in Malawi as stipulated in Section 24 and 25 of the Non-governmental Organizations Act 2000. Membership to CONGOMA is open to National and International NGOs and is responsible for representing and promoting the collective interest of NGOs in Malawi.

Role of NGO in Malawi

Malawi is one of the least developed countries in the world, the role that NGOs and civil society organizations play in the country’s development is invaluable. Numerous NGOs work throughout the country across a variety of areas, including health, education, women’s rights and rural development.

NGOs have played an important role in furthering democracy and human rights, social and economic development, and nation-building. In October 2005, Andrew Galea Debono of the Commonwealth Human Rights Initiative noted that while it is true that many NGOs, the media, academics and many other community groups focus primarily on providing services to the community, experience has shown that they have also often been key facilitators of government-citizen dialogue as well as having an important monitoring role of government activities.

NGOs have also earned a reputation for playing a vital role in being the voices of the voiceless in Malawi and have helped to consolidate a democratic culture in the country since the institution of multi-party democracy in 1994 by providing checks and balances against governmental corruption like the recent cash gate scandal where billions of money were lost due to weak internal controls in the government system. Their contributions also have been seen in areas such as health, education, and environment. Those in arts and culture have also played a critical role in safeguarding and preserving Malawi's identity, while those in human rights have made strides in raising community awareness against negative cultural traditions and beliefs such as child marriages and witchcraft.

Pressure faced by NGOs

Due to the watchdog roles some NGOs play in Malawi and elsewhere, NGOs have on many occasions turned out to be among the government’s fiercest critics, and at times government officials have labeled them as an “opposition” force. Such acrimony has resulted in a number of civil society activists working in a very politically sensitive environment, with numerous incidences of threats, physical and emotional harassment.

The current government announced in September 2014 that it would prioritize the review of Malawi's NGO Act. The new Act is expected to include provisions that would allow the intelligence service to monitor NGO operations and the President’s office to review any request to carry out research in the country. This is one of the latest examples of the ongoing pressures on civil society. The review of the NGO Act comes as there is growing concern among NGOs that the current legal framework is more constraining than enabling for civil society, especially in the context of registration and operations.

Malawi Girl Guide Association (MAGGA)

The Malawi Girl Guides Association (MAGGA) is the national guiding association in Malawi one of the registered active NGO. It is a member of the World Association of Girl Guides and Girl Scouts (WAGGGS). The Malawi Girl Guides Association membership currently stood at 64, 102 from 3, 375 as of April, 2002. Girl Guide was introduced to Nyasaland during the British colonial era, in 1924 in Zomba then capital. The first training was held in Blantyre, Lilongwe and Mzuzu. Guiding was banned during the reign of President Hastings Kamuzu Banda in 1967 after Malawi attained its
independence in 1964, replaced by a youth movement called Malawi Youth Pioneers, linked to the Malawi Congress Party, the only political party allowed in what was at the time a one-party state. Girl guiding was re-introduced in 1997 and Malawi Girl Guides was launched on 16th May 2002, after Malawi moved from a one-party state to a multi-party democracy in 1994.

The Malawi Girl Guides Association serves girls aged from 6 to 25 years. Membership includes girls and leaders from all sectors of society. The Malawi Girl Guides Association is active in both urban and rural areas, with units based mainly in schools. Commissioners recruit by giving talks at schools and at church gatherings. MAGGA also works with SAM and the two associations have the objective to help the children develop their full potential in order to become responsible adults and active citizens in the community, through scouting values.

To this aim, both bodies have adopted an educational model that make children responsible for their own personal growth, by giving them opportunities to develop their own knowledge, to be conscious of their rights, and further on to develop professional skills and to acquire a greater independence.

MAGGA and SAM are respectively partners of WAGGGS (World Association of Girl Guides and Girl Scouts) and WOSM (World Organization of Scout Movement), the two international scout networks which together represent 40 million scouts and operate in the whole African continent.

The mission for MAGGA is to help girls and young women develop economically, socially, spiritually and culturally in order to become useful and responsible Citizens of Malawi. The main areas of its activities include development in the fields of Nutrition, communication campaign for change of behavior with respect to SRH/HIV/AIDS, programs of health education, environmental education, programs of leadership training, entertainment skills, gender issues and women empowerment, partnership with the United Nations, other International Organizations and NGOs, fundraising. At world level MAGGA as member of WAGGGS is part of the network of UNAIDS, YWCA (World Young Women’s Christian Association) and other UN agencies.

In Malawi MAGGA cooperates with the Ministry of Youth, Sport and Culture and with the National Youth Council of Malawi. MAGGA has also experiences in the field of HIV/AIDS. In 2006 the association implemented a project financed by UNFPA named “SRH/HIV/AIDS Awareness among girl guides”.

**Activities of MAGGA**

Currently MAGGA is implementing a number of projects throughout Malawi funded by different donors. Some of the projects implemented by MAGGA are listed below:

**Strengthening access to sexual and reproductive health services for young people (10-25 years) project**

This project is being funded by United Nations Population Fund (UNFPA) and it is being implemented in six districts (Blantyre, Lilongwe, Mzimba/Mzuzu, Mchinji, Karonga and Mangochi). The project is contributing towards achievement of UNFPA’s Sixth Country Program, Reproductive Health Component Outcome 1, Output 2

**Increased availability of Life Skills education for young people in and out of school” Girl Guiding and Scouting for Sexual and Reproductive Health Promotion**

This project is being implemented with funding from Intesa San Paolo (Italian Banks) and Fondazione Cariplo. The project is being implemented in Balaka, Blantyre and Lilongwe in partnership with Scout Association of Malawi.

**Promoting positive behavior change in SRH/HIV and AIDS among girls and young women (6-18 years)**

This project is being funded by the National AIDS commission of Malawi. The project is currently running in Dowa, Nkhotakata, Rumphi and Thyolo.

**Drug and alcohol abuse prevention among in and out of school youth (10-24 years)**

This project is funded by Norwegian Campaign for Development and Solidarity (FORUT). The project is currently being implemented in Lilongwe district and is aimed at preventing alcohol and drug abuse among in and out-of-school youth through behavioral change communication interventions.
Scaling up Children’s Corners and psychosocial Care and Support Initiatives for Girl Guides

The project is being technically supported by REPSSI (Regional Psychosocial Support Initiative) which builds capacity for the Association through training of staff and volunteers and mentoring. The project is aimed at ensuring that psychosocial Care and Support (PSS) is mainstreamed in the Girl Guiding Program by establishing Children’s Corners. The project is being implemented in Lilongwe, Blantyre and Mzuzu.

Capacity development of Malawi Girl Guides Association

This project is funded by NORAD through the Norwegian Guide and Scout Association and it is aimed at building the capacity of the Association to offer quality Girl Guiding program. This is done through support of operations of the secretariat, training of leaders (Volunteers) at all levels and development of educational programs.

Enhancing Girls’ Participation and Completion of Primary School Project

This project is funded by PLAN-Malawi and the goal of the project is to support national efforts to ensure that all children (Boys and Girls) complete a quality primary education by 2015.

Joint UN Program on Adolescent Girls in Malawi (JPAG)

This project is funded by UNFPA and is aimed at contributing towards accelerating efforts to advance the rights of adolescent girls in Malawi by supporting a range of activities to increase awareness and empower girls to participate in development activities in Malawi. The project is targeting adolescent girls aged 10-19 years in Malawi and it is being implemented in Mangochi and Chikhwawa districts in Traditional Authority (TA) Katuli and sub-Traditional Authority (Sub-TA) Masache respectively.

This is a new UN foundation led initiative to support UN inter-agency program that empowers adolescent girls (10-19 years). UN agencies in Malawi (UNFPA, UNICEF, WHO, and UNESCO) received funding for a joint UN program for adolescent girls in Malawi (TA katuli in Mangochi and Sub-TA Masache in Chikhwawa). The program takes a holistic approach to addressing the challenges facing adolescent girls. It involves integrated investments in formal education, vocational training, protection from violence, abuse and exploitation of girls.

Stop the violence against girls and young women

The project is implemented by Girl Guides Associations in 25 countries including Malawi Girl Guides Association. It is technically and financially supported by UN Women through World Association of Girl Guides and Girl Scouts. Here in Malawi, Malawi Girl Guides Association implements it in Mangochi and Lilongwe as part of the Girl Guiding Curriculum and it targets Vulnerable Girl Guides in secondary schools by giving educational Scholarships to vulnerable girls. Apart from school fees, the girls were also supported with school uniforms, shoes, sox and other basic necessities like soap and writing materials among others.

AIDSTAR-two/ Malawi HIV AIDS civil society capacity building project overview

Project goal: to contribute to the reduction of the spread of HIV/AIDS by providing capacity building technical assistance to local HIV/AIDS organizations to solidify their ability to deliver high impact sustainable services

Other services offered by MAGGA

Provision of HCT services to young people through the Association’ youth center in Blantyre (Limbe). Distribution of female and male condoms to young people through the Association’ youth center in Blantyre (Limbe)

Livelihood Skills Training i. e. carpentry and joinery, tinsmith, tailoring through Kapeni Multipurpose Centre in Blantyre (Lunzu)

Psychosocial Care and Support services for orphans and vulnerable children through schools and Children’s Corner approach i. e. life skills and resilience building trainings, camps, retreats, congresses etc.

Problem statement

One of the key challenges in successful financial management in local NGOs is getting finance and program staff to feel that they are working together towards the same goal. Each side needs to
understand how their roles are both important to achieving the NGO’s mission so that they can be bound together as a strong united team. Despite donor’s assistance in capacity building to implementing partners, the quality of financial management systems and financial reports are still poor and contributes to low program implementation rate and financial risk. Previous researches have indicated that “poor” or “careless” financial management is a major cause of small business failures (Matoha, 2007).

The outcome of UNFPA for the year ended December 2014 of its annual review workshop, indicated that financial reports that were produced by implementing partners did not meet the time line set by the donor. For example, the donor required that all financial reports for the July – September 2014 quarter should have been submitted by 15 October, 2014. However, by 4th December 2014 during annual review meeting, some reports for the 3rd quarter were still not submitted and the implementation rate for some IPs were below 15%. It was not clear whether this situation of low implementation rate was a result of poor quality of financial reports, lack of program monitoring and assurance activities, late donor funding, lack of donor technical assistance, lack of NGO capacity or poor financial management. An NGO with good internal controls, good accounting system, good structure/staffing, proper planning/budgeting, proper accountability/transparency, grant management and proper Financial reporting will likely implement the project activities on time and will have minimal financial risk.

Purpose of the study

The purpose of this paper is to explore and evaluate MAGGA good financial health management practices which include internal control system, accounting system and the quality of its financial reports submitted to donors in relationship to project implementation rate and how this minimizes financial risk of donor funds.

Objectives of the study

I. To evaluate the relationship between the NGO financial health management practices and the programs implementation rate.

II. To establish if the Implementation rate of an NGO depends upon effective financial health management practices.

Research questions

In order to gain a better understanding of the stated problem and to achieve the above objectives, the study was guided by the following research questions:

I. Which are the financial health management practices that contribute to high project implementation rate for small NGOs?

II. What constraints have grass roots NGOs encountered during the implementation of donor-aided projects?

To answer the above questions, an analysis was conducted of a case study on good financial health management practices, as well as potential relationship with implementation rate.

Significance of the study

The study results will bring critical issues concerning financial management of donor aided projects of NGOs and development in general and will probably facilitate a new development perspective towards donor aided projects in Malawi and will be used as a reference in academia and the donor community.

By the time this study was carried out in Malawi, very little study had been carried out on the relationship between good financial health parameters and implementation rate and general challenges that NGOs meet in implementing donor funded projects. It had only been mentioned in broad terms that good financial management with sound internal control systems enhances implementation rate and minimizes financial risk for the donor funds. Emphasis is on good financial practices, compliance to the donor requirements and financial accountability which is critical for grant management and
project implementation for an NGO. This study was carried to make an academic contribution to this area of knowledge.

The study findings can generate knowledge for the donors about why local NGOs fail to implement programs and comply with its requirements. This can help the donors to identify assurance and capacity building activities and what kind of technical support they should provide the NGOs before giving them any funding in order to ensure that funds will be used for the intended purpose.

The study findings will help NGOs in improving their internal control systems and financial management practices to meet donor requirements and this will improve NGO capability to attract more funding for its sustainability.

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The study findings will be a basis for further research on NGO financial health management especially internal control systems required in order to safeguard donor funds.

Scope of the study

- Geographical Scope
  The study covered local NGOs in Malawi supported by donor community and MAGGA in particular which is in central part of Malawi, Lilongwe

- Subject Scope
  The study focused on evaluating and establishing the relationship between NGO good financial health management and implementation rate of donor funded programs while minimizing financial risks.

The conceptual framework

The conceptual framework is developed based on the financial health practices of small NGOs in Malawi supported by donor funds for program implementation with adjustments to fit the current case study. In a study carried by Keating and Frumkin (2003) indicates that financial accountability helps stakeholders such as donors, clients, government and the public assess the financial credibility in the use of funds, which increases public confidence in the governance of the NGOs. In the model for this study, there is relationship between good financial health management practices and program implementation rate. However, for this study, factors such as basic accounting and internal control system, financial reports, staffing, grant management, budgeting and planning are independent variables while implementation rate is dependent variable and is held constant as indicated on figure 1 below.
Theoretical background

There view of textbooks, past research and internet whose contents directly relates to NGOs provides the relevant theoretical background of the thesis project. In addition to textbooks articles that, like the reviewed textbooks, are directly related to NGOs good practices and financial health, financial risk and good governance are scrutinized. The content of the reviewed articles is used to illustrate the theory behind good practices and financial health of an NGO and substantiating it by providing examples of real-life applications.

Empirical Study

The most suitable solution to answer the research questions is to collect relevant primary data by conducting a survey in the NGOs using donor funds. A questionnaire, a type of survey, containing specific questions that are directly related to NGO good practices and financial health is submitted to staff that are working and implementing programs for the chosen NGO. The questionnaire covers both questions about the good practices and financial health of the chosen NGO.

Case Study

Because I wanted to look at the NGO good practices, financial health and its effects on implementation rate, I decided to use a research method called the case study. In the case of my thesis, I examined only MAGGA and thus using a single case'.

A case study is a study where the researcher tries to fully understand one or more spatially limited objects or processes. These objects or processes could include an organization or a company. According to Conteh(2001 :32), case studies enable researchers to study in-depth peculiarities and idiosyncrasies that may shed light on the prominence of certain, hither toun covered, complex events and processes-most of which may escape statistical manipulations.
There are several ways a case study can be designed. I will not deal with all these possibilities but I will discuss the techniques used by me. I must make it clear here that there is danger in making any generalization on the basis of what has been discussed on a single NGO case study, although to a very large extent, there are more commonalities than differences for most NGOs, and generalizations are made out of the extensive literature that has been reviewed and my personal experience after working in the international NGOs for the past 15 years.

**Literature review**

**Introduction**

This chapter provides a critical review of related literature on the relationship between financial health practices and project implementation in small NGOs. Financial health management practice is one of many critical functions in an effective grant management for an NGO. The chapter reviews literature resulting from such studies in Malawi and other parts of the world. The literature is reviewed under the sub sections of accountability and transparency, planning and budgeting, risk assessment, financial and internal control systems, staffing, programme monitoring and grant management as these are regarded as the main pillars for financial health of an NGO in relation to implementation rate of its programs.

Schneider (1985) quoted in Alan Fowler and Rick James (1994); says that, "NGOs play a unique and largely a successful role in assisting and strengthening local groups and associations. NGOs exist to improve the lives of beneficiaries by carrying out activities as described in what NGOs do and finance is a support function to make that possible and the NGO to be more accountable (http://www.mango.org.uk/guide/fmincontext).

Internal control is one of critical area NGOs must promote to achieve their goals. (Harrison et al. 2011, 237.) observed that internal controls are designed to follow objectives as: safeguard assets, encourage employees to follow company policy, promote operational efficiency, ensure accurate, reliable accounting records and comply with legal requirements. Furthermore, the establishment and the emphasis on good internal control in practice apparently arise because it is considered to be a significant determinant for the organization in order to accomplish its strategic and business goals. (Verschoor 2002). A non-profit organization must adopt strict policy compliance to provide assurances of professionalism, accountability and transparency, and these steps towards legitimacy and stronger ethical practice must “conform to and support ‘best practice’ guidelines in both its current operations and the firm’s future strategic plan” (Bezjian, et al (2009, p. 52).

**NGO accountability and transparency**

In review of not-for-profit accountability literature, Brody (2001) defines financial accountability as fiscal honesty and avoidance of fraud. Numerous researches, such as Church and Sneider (1995) and Church (1998 and 2005), examine how the internal control and internal auditing detect irregularities in financial reporting. They conclude that it might be interesting to analyze and examine the impact of internal control and the quality of financial reporting. (Gras-Gil, Marin- Hernandez, 2012).

An NGO operates like a business. It will have bank accounts, own productive assets of all kinds, receive income from sales and other forms of activities including donations, employ staff, enter in to contracts, etc and keeping proper accounting records enables it to prepare reports that give managers important information about how the NGO is doing financially. Langenberg (2004), observed that while NGOs might argue that existing accountability mechanisms are sufficient, voluntarism and self-regulation is not effective. He argues that simply having a coded does not ensure all organizations will follow the rules. Thus, on the surface, it would appear that some form of mandatory reporting by NGOs forms an ideal measure of accountability.

Marshall (2002), also adds that the most obvious way to ensure that NGOs are transparent is a full disclosure about their activities, which will enhance public trust. The NGO can then make informed decisions so that it can deliver a project within budget, avoid cash flow problems, and make future plans. This can be achieved if they clearly record all its receipts and payments, and file supporting evidence for every transaction; it means that other people can also have a look at what has happened.
For example, other people within the NGO, donors, auditors and beneficiaries. According to Gale (2003), financial accountability gives NGOs legitimacy and credibility, contributes to their reputation and adds to their sustainability. Good financial accountability limits fraud and mismanagement and attracts donor interests. According to Tilt (2006), the most important issue when considering accountability of NGOs is the means by which they will be required to provide an account. Furthermore, Leat (1988), adds accountability with sanctions, where some form of penalty should be imposed if the account or the actions are inadequate. It is a legal requirement in Malawi for registered entities like NGOs to keep accounting records. If it is not registered as an NGO or a company, it is likely to be a requirement of its head office or donors. Sound administration and finance describes the management of resources, the management of income generation and effective policy that positions the organization as transparent and efficient (León, 2001, p. 17)

Day and Klein (1987), state that fiscal or financial accountability is about making sure that funds have been spent as agreed and according to appropriate rules and regulations. Boice (2004) states that financial accounting is financial responsibility or operational transparency that requires demonstrating how donations to your organization have been used and how effective your organization is in achieving its goals. The need for financial accountability has been reflected in a number of studies carried out by different researchers on the subject.

**Planning & budgeting**

According to Financial Management for Non-profit 2001 page 3, planning & budgeting are those processes where by the organization sets goals and objectives, allocates its resources among its activities and decide how those activities will be operated. Budgeting is a process that relies both on financial information about past performance and the organization’s future plans. Budgets should be clear, so that other people can pick them up and understand them easily.

A complete understanding of all costs is critical to good fiscal management, but budgets must be based on accurate information about the organization’s programs and services (Kotloff & Burd, 2012, p. 10). A budget should include historic information, outline trends, identify which assets are restricted and which assets belong to programs. A budget needs to provide a realistic picture of financial objectives. León (2001) suggests that the financial sustainability of an organization relies on strategic and financial planning and sound administration and finance (p. 16). Recognizing that operations can be dynamic, organizations must be clear about financial goals and have a plan which outlines the organization’s strategy, priorities, and costs to implement actions (p. 16).

**Risk assessment and management**

To identify the key areas of risk to be managed, it is important to assess the probability of an event occurring, the likely level of impact this will have on the business and how the outcome could impact the organization’s activities as they align to the overall objectives of the NGO.

According (Terry Lewis, 2013) in his article Mango Management Accounting for Non-governmental Organizations observed that it is normal to assess an organization’s financial management capacity before funding it. This can help donor judge how much additional funding the NGO can handle. Effective risk management includes risk assessment, risk evaluation, risk treatment, and risk reporting (Collier, Berry & Burke 2007, 10). According to Collier et al. (2007, 10), risk management has been defined as the process so funder standing and managing the risks that the organization is inevitably subject to in attempting to achieve its corporate objectives (CIMA Official Terminology). The Institute of Risk Management has developed in 2002 a Risk Management Standard, which contains four elements: risk assessment, risk evaluation, risk treatment and risk reporting.

Below is a matrix that can be used to help assess the risks within the organization and prioritize which risks need to be managed
Risk management is viewed as a cornerstone of good corporate governance and therefore results in better service delivery, more efficient and effective use of scarce resources and better project management (Collier et al., 2007). It has to do with identification, analysis and control of such risks that threaten resources, assets, personnel and the earning capacity of a company. In spite of modern business planning models and methods adopted by many organizations, risk assessment is performed non-systematically and intuitively and the risk management plan is not prepared at all (Collier et al., 2007). Due to this, problems are solved once they arise, usually rather too late.

Program monitoring

Risk can be minimized by close monitoring of the project activities by both visiting the implementing partner and project site to ensure that the program is actually being implemented. There should be one format form on to ring and reporting throughout the life of the project. This will help to provide a solid basis for analyzing trends and defining strategies, and will be particularly useful when there is a change of personnel, management, and policymakers. Anthony (2004), noted that the purpose of monitoring is to determine whether internal control is adequately designed, properly executed, and effective.

According to the Institute of Internal Auditors (1995) considers monitoring to encompass activities such as periodical evaluations, internal audits and management self-assessments. COSO (1998), Dublin (1990), Magala (2001) and Lary (2009) view monitoring as needed to ensure that planned administrative, operational and financial tasks and activities are carried out in a timely and proper manner such that set internal control objectives and organizational performance are achieved. Monitoring aims at determining whether organizational members are carrying out or have carried out their tasks efficiently an defectively as required by the organization’s policies (Spillane, & Reimer, 2000).

Further, Walker, Shenkir & Buton (2003) argued that monitoring processes are used to assess the quality of internal control performance overtime. Monitoring is the assessment of internal control performance overtime.

Furthermore, NADC (1996) observed that monitoring is a continuous periodic surveillance of the implementation of a project. Not only should the physical progress of the project be monitored, but also the impact of the project. Changes in external factors which are relevant to the development of the project should also be registered in the progress report. The progress report provides major information input to the project review (NADC, 1996).

According to Dorfman (2007), risk management is the logical development and implementation of a plan to deal with potential losses. It is important for an organization to put in place risk management programs so as to manage its exposure to risks as well as protect its assets. The essence is to prepare ahead of time on how to control and finance losses before they occur.

UN agencies risk assessment

NGOs funded by some UN agencies in Malawi and elsewhere are assessed for risk and modality for cash transfer and related assurance activities using HACT framework. A Harmonized Approach to...
Cash Transfers to Implementing Partners (HACT) which was launched in April 2005 among the UNDP, UNFPA, WFP and UNICEF. HACT changes the management of cash transfers from a system of rigid controls to a risk management approach aimed at reducing transaction costs, simplifying and harmonizing rules and procedures and strengthening the capacity of implementing partners to effectively manage resources (HACT framework 2014).

There are three key elements for HACT framework all linked to country programming:

The first is assessment of financial management practices to determine risks and identify capacity development needs. There are two assessments on this which include:-

Macro-assessment of the broad public financial management system at the time of the UNCT’s efforts to strengthen country analysis, and Micro-assessment of specific implementing partners during the preparation of country programs, leading to the selection of an appropriate cash transfer modality and assurance activities.

The second is assurance activities such as spot check and audits to check that funds are being used for the purposes intended, and to address weaknesses identified by the assessments.

The third is the FACE which is a common format for implementing partners to request funds and report on how they have been used. HACT is intended to serve as a simplified set of procedures on requesting, disbursing, providing assurance, and reporting on funds as a way to effectively manage risks, reduce transaction costs and promote sustainable development in a coordinated manner by carrying micro assessment risk rating.

According to (HACT framework 2014), the micro assessment questionnaire results in an overall risk rating which comprises one of the following risk ratings:

Low risk: This Indicates a well-developed financial management system and functioning control framework with a low likelihood of potential negative impact on the IP’s ability to execute the programme in accordance with the work plan (WP).

Medium risk: This indicates a developed financial management system and control framework with a moderate likelihood of negative impact on the IP’s ability to execute the programme in accordance with the work plan;

Significant risk: This indicates an underdeveloped financial management system or control framework with a significant likelihood of negative impact on the IP’s ability to execute the programme in accordance with the work plan.

High risk: This indicates an underdeveloped financial management system and control framework with a significant likelihood of negative impact on the IP’s ability to execute the programme in accordance with the work plan.

HACT framework is in line with the observation of (Collier et al. 2007, 10) who defined risk as the process of understanding and managing the risks that the organisation is inevitably subject to in attempting to achieve its corporate objectives. Internal environment sets the tone of an organization, and is the basis for how risk is viewed and addressed by the employees. This includes the philosophy of risk management and risk appetite, integrity and ethical values, and the environment in which they operate. Effective risk management includes risk assessment, risk evaluation, risk treatment, and risk reporting (Collier, Berry & Burke 2007, 10). The thesis will take a look at the importance of internal control and the different possibilities of how donors are able to minimise the financial risk.

Brody(2001) and Day and Klein(1987) contend that financial accountability is the fiscal or financial honesty and avoidance of fraud that makes sure that money is spent and recorded as agreed and according to appropriate rules and that accurate reports are given to stakeholders in a timely manner. The big challenge with most NGOs is that they do not have qualified finance personnel and this affect timely preparation of accurate financial reports, which is one of the major donor requirements. Moore (2000) argues that fund development strategies must be suited to the “organization’s existing capabilities and have to be fitted to the challenges and opportunities of the environment in which it is operating” (p. 184). Understanding that each donor is different also requires an organization to consider different fund raising methods to determine which options are best and this will assist the NGO to manage the financial risks.

According to (“CPA Australia”), 2011 the central theme of effective internal control is to identify the areas of the organization that need to be monitored and protected, determine where possible risks...
to these areas exist and implement controls to manage these risks. When assessing risk in the organization, a good starting point is to review the overall objectives of the NGO. This is usually documented in the organization’s constitution, articles of association, mission statement or strategic plan. Once the objectives have been identified then the next step is to determine the possible risk associated with the achievement of these objectives. This step is critical to NGOs, as it is unlikely all risks can be managed due to the limited resources available.

Joan Hummel states in Starting and Running a Non-profit Organization (1996), “Increasingly, funders, government bodies, and various auditing agents are requiring that the organizations they audit follow program accounting methods” (p. 76). Non-profit organizations dependent on federal and state governments are required to have financial verification and established accounting procedures to receive monies from such agencies (Grobman, p. 113, 2002).

Internal controls and the accounting system

Internal controls are systems of policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations. These systems not only relate to accounting and reporting but also include communication processes both internally and externally, staff management and error handling. For each set of policies and procedures it is critical that all relevant staff, volunteers, members and stakeholders are kept informed. Effective communication can be executed in many different ways, such as through the intranet, employee and volunteer handbook/induction pack, newsletters and bulletins, regular meetings and memos.

Internal controls help NGOs handle everyday risks of mistakes, confusion or fraud. They also protect staff from any pressure to mis-use funds and from the suspicion of wrong-doing. According to (“CPA Australia”), 2011 Effective internal controls require planning and assessment by the organization from the outset. This is particularly true for NFPOs as personnel and financial resources are often limited. Where this occurs, it is essential for internal controls to be established within the limits of the organization to ensure they are effective and can be supported by the available resources. Internal control is effective if management and interested stakeholders have reasonable assurance that they understand the extent to which operational objectives are achieved. Published financial statements are being prepared reliably, applicable laws and regulations are being compiled.

The control environment is created and enhanced by setting policies and procedures that embrace the overall objectives of the organization. Such policies and procedures should cover the human resources— including hiring policies, conflict of interest, job descriptions, training, performance evaluations, remuneration and disciplinary procedures. NGOs leadership should establish internal control systems that will ensure a code of ethical conduct and a frame work for internal regulations, including systems and by laws which will ensure that management is accountable for the financial and other resources within the boundaries set by the rules of the donor.

Administration and financial— including job responsibilities, segregation of duties, procedures for key administration activities, reporting relationships, financial authorities and access to assets reporting— including frequency, content, preparation responsibility, identification of stakeholders

Systems— including access security, system hardware and software purchase and maintenance, procedures for key activities such as purchasing and disbursement of funds, disaster recovery and emergency planning. In order to achieve consistent financial accountability it is necessary to establish standards and a system for accounting practices.

According to Keating & Frumkin (2003), in most NGOs funds from donors are poorly managed and their accounting systems are in poor order. This statement confirms the findings of many researchers on the importance of accounting system and internal controls in an NGO for it to win the donor confidence. Collins and Collins (1978), contend that an accounting system is a way of keeping a written record of transactions. Furthermore, Larson & Pyle (1988) noted that accounting system consists of business papers, records, reports and procedures that are used by an organization in recording transactions and reporting their effects. Welsch and Short (1987) added that an accounting system, regardless of the size of the organization is designed to collect, process and report periodic financial information about the entity.
According to Doornbos (2003) one area that typically comes up for special mention in donor-recipient relationships is that of financial accountability and it stands out as the heart of good governance concerns. Schnelder (1989) stresses that the heart of fiscal management in any organization is a good accounting system, that is appropriate to that organization. Ebrahim, (2003) notes that NGOs respond to issues of accountability with both tools and processes. An NGO should put in place tools like financial accounts, monitoring, quarterly reports, annual reports, performance assessments, independent evaluations and audits.

This means that once internal controls have been established for the key activities of the organization, the effectiveness of these controls requires monitoring to ensure that the objectives of the controls are being met. Ongoing monitoring activities include management and supervisory activities that evaluate and improve the design, execution and effectiveness of internal controls. Other ways that internal controls can be monitored is through the use of internal audits, self-assessment by employees, volunteers and managers, periodic review by an audit committee and spot checks to the internal control activity as observed above by Ebrahim, (2003).

Financial reporting

Donors usually like to have reports in a specific format and by a specified time. It is normal for there to be both narrative and financial reports, and it is important that they match and complement each other. It is really important to try to meet donor reporting conditions as late or wrong reports reduce a donor's confidence in your organisation. The key to easy reporting at the end of a period is setting up systems properly at the beginning! According to Gale (2003), poor quality of financial reports greatly diminishes the quality of NGOs and he further noted that integrity of the non-profit sector is served best if NGOs are accountable (Gale, 2003).

Furthermore (Sioan, 2001) observed that the financial report is the first source of independent and true communication about performance of company managers. Cohen, Krisnamoorthy and Wright, 2004 added that one of the most important functions of corporate governance is to ensure the quality of financial reports. Keating and Frumkin (2003), state that in order to determine the effectiveness of a financial reporting system, one must understand its objectives. According to Eyong (2001), good governance means the effective management of an NGO’s resources in a manner that is open, transparent, accountable, equitable and responsive to people’ needs.

Keating and Frumkin (2003) argue that the not-for-profit community’s future economic success depends not only on the quality of its social economic activities, but also on improving its internal accounting and external financial reporting systems. Hughes (2003) agrees with this argument by stating that it is governance, through organizational capacity, not accountability that challenges not-for-profit organizations most. To supplement this argument Light (2002), said that improving governance through developing organizational capacity should be the first step, for without it even plans cannot be implemented. Regular financial reports play a crucial role. This might include audited annual financial statements or regular budget monitoring reports (which compare actual expenditure to budget). They might be required every three or six months. An external audit can provide assurance that financial statements are true and fair. Financial reports have to be read alongside narrative reports, so that you can build up a picture of what has been achieved with funds and whether it seems to represent good value for money (Terry Lewis, 2013)

Grant management

The key to making funding relationships work is open and regular two way communication. In particular, in depth discussions before any agreements are signed will save problems during the implementation stage. Effective communication builds mutual trust, respect, and commitment to keep promises – all critical in funding relationships.

Most NGOs are dependent on donor funds (and donors are dependent on implementing partners!). Proper grant management and keeping donors happy is key to achieving objectives, and financial survival for an NGO. According to Terry Lewis, 2013 restricted funds can only be used for specific purposes that have been agreed with the donor. The restrictions may be very tight (e.g. to pay for a new photocopier) or rather general (e.g. to help fight HIV/AIDS). Project-based funding from external
donors is nearly always restricted. It is useful because it provides money for an NGO to pursue its objectives. Terry Lewis, 2013 further observed that donors can also bring problems to NGOs which includes:

- Big investment in writing proposals and developing relationships with donors and writing reports.
- It is unpredictable - you may win a grant, or you may not.
- It tends to be tied to donors' priorities - not your NGOs' priorities. It can create dependency. What will you do when the grant ends?
- It often comes with specific conditions attached to how you spend it.
- Specific project plans can make it hard to adapt to changing local circumstances, or meet unforeseen costs.

NGOs often receive funds from donors, which they spend themselves and sometimes pass on to other organisations. For example, it is common for a government department to fund an international NGO which funds a local NGO which funds grass-roots community organisations. Donors and NGOs need each other. Donors provide funds, and without funds NGOs cannot achieve their objectives. But donors also have their own agendas and objectives which they cannot achieve without implementing NGOs (Terry Lewis, 2013)

Developing good relationships and shared understanding is really important if both sides are to work together effectively to achieve their goals. But managing relationships between organisations is not easy – you will probably have experienced challenges like language and culture differences, lack of understanding or respect for each other, problems with email communication, funds sent late, accountability reports sent late, difficult grant conditions and the messy complexity of implementing aid or development programmes. All this makes for a challenging environment (Terry Lewis, 2013)

Donors have a great deal of power and influence in the NGO sector. Donors face a difficult job. They have to use their funds responsibly, to achieve their goals and avoid fraud. This means making sure that basic controls are in place. But they also aim to support effective local responses and help organisations grow. This means encouraging flexibility and learning.

Having the money puts donors in a powerful position compared to the organisations they fund—donors are very influential. If they get the balance between control and flexibility very wrong in either direction, it can be damaging to the NGO. This means that donors have a serious responsibility to the organisations they fund.

**NGO structure/staffing**

According to (CPA Australia 2011) assets an effective control environment is an environment where competent people understand their responsibilities, the limits to their authority, and are knowledgeable, mindful and committed to doing what is right, and doing it the right way. These people are committed to the organization’s culture and follow the policies and procedures that are in place to support that culture. It further argued that the success of the control environment will rely on the board and management creating a positive “to neat the top” and demonstrating their commitment to internal controls by adhering to the organisation’s policies and procedures. Furthermore (Kotloff & Burd, 2012, p. 10) observed that having appropriate software and trained staff helps to reduce inefficiencies and generate more accurate and reliable financial information.

According to Chartered Institute of Public Finance and Accountancy (CIPFA, 2013) a good performance management system will help employees understand how their roles and responsibility relate to the achievement of the organization’s goals. It further argued that, by setting individual targets that stem directly from those of the organization staff should be motivated to work for the good of the organization.

NGOs will need to mature, through increasing professionalization of staff, methods and financing (Cohen, 2003). Harris (1996) states that legally for most NGOs the Board is supposed to govern those NGOs but in practice, the governance may be exercised by a range of stakeholders—board, staff, clients, funders, founders and other key stakeholders like government. To manage an NGO requires good leadership qualities to spearhead the achievement of the organizational goals. Ideal leadership qualities include a desire to make a difference, blended with skills and knowledge, and the
opportunity to act which is absent in most NGOs management team. Miller and Bergman (2008) suggest that “good board leadership exhibits passion, commitment and vision.

According to (Fowler 2000, Hope 2002) noted that there has been a push towards decentralization and NGO shave adopted different solutions such as delegation to solve their problems. Leadership needs to ensure that reporting resources, technology, software, Orin-house skill, is a match for the programs and services at the core of its mission or mandate. Having skilled staff will help the NGO to produce high quality financial reports and limiting this capacity as the case with many small NGOs also limits oversight functionality of the organization and affect program implementation rate. According to John L. Colley, JR., Jacqueline L. Doyle, George W. Logan, & Wallace Stettinius (2003). Observed that directors need to follow the laws and build records of what they have done to protect themselves from challenges that have the advantages of hindsight. He further argued that the elected directors assumes the obligation to represent the interests of fiduciary responsibility and also that directors who are dump but honest fail to fulfill their obligations.

At times NGOs fail to implement programs because of lack of capacity as they receive funding from different donors on the expense of few staff at the same time being accountable to so many donors.

According to Leat, (1988), the issue of multiple stakeholders, while at best making accountability more complex, can additionally be problematic for NGOs because such competing demands can actually lead to poor performance. Over the recent past years there has been a lot of concern about poor programs implementation rate in NGOs leading most NGOs returning funds to the donor at the end of financial year because of failure to utilize the funds. This has been reflected in a number of studies carried out by researchers on the subject in Malawi and elsewhere.

Review of the literature show overwhelming support that implementation rate of NGO programs depends on effectiveness of financial health practices. This means that for NGOs to achieve high implementation rate, they are supposed to strengthen all the six financial health parameters.

Research methodology

Introduction This chapter describes the methodology that was employed in conducting the study. It specifies there search design, the study population or the area in which the study was conducted, the sampling design, the sample size, data sources, data collection instruments and the validity and reliability of the data collection instruments. It further describes the data analysis method, ethical considerations and the limitation of the study.

Research design

A written survey questionnaire was developed to evaluate the NGO financial health status which covered planning and budgeting, basic accounting system, financial reporting, internal controls, grant management and general questions regarding NGO good practices.

This study aims to evaluate MAGGA by collecting and analysing empirical data relating to its good practices and financial health and also investigating MAGGA characteristics that affect either the implementation rate or the techniques used to avoid financial risks. The results help provide a more comprehensive picture of current NGOs good practices and financial health and the factors that influence program implementation rate.

Study population

The study specifically investigated MAGGA an NGO based in Lilongwe with funding from different donors and covered its operations in almost all regions of Malawi.

Sampling design

Stratified random sampling design was used for this study. 21 staff from different departments was asked to complete the questionnaire. 3 were from the finance department 8 from operations, 2 were from top management. 3 program officers were also involved including 5 officers from other districts offices of Blantyre and Mzuzu. The sample was based on the proportionate number of staff in each department in relation to the total number of staff.
Sample size

In this study a sample size of 21 respondents was taken to represent the population of 30 staff. Respondents were selected to represent the different staff levels of MAGGA. The selection of the respondents was made randomly based on availability and willingness to respond and complete the questionnaire of the researcher.

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<th>Table 3.1: Level of Respondents</th>
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<td>Department</td>
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<td>Management</td>
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<tr>
<td>Finance department</td>
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<td>Other Districts</td>
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<td>Program officers</td>
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<tr>
<td>Operations</td>
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<td>Total</td>
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Source: Primary data

Data sources

Documentary review

This researcher also reviewed literature obtained from the case study NGO. This literature included project documents, project and annual reports, project review reports and research reports that had been conducted by the case study NGO on the projects that they implement. This method was chosen because; it was vital in providing background information and facts about project simple mented by the case study NGO before primary data could be collected.

Annual audit and financial reports, internet, interviews and questionnaires were used because of their relevance to the research. A qualitative approach with the emphasis on case study method of research was used for evaluating good practices and financial health of NGOs and the research basically focused on the descriptive and explanatory case. Questionnaire designed to answer their search questions of the study and interviews were conducted with the respondent’ staff and managers of the NGO.

Data collection instruments

There search instruments used included Mango’s Financial Health Check structured questionnaires with pre-coded answers administered to the respondents. The instruments were pre-tested and discussed with the supervisors.

Mango’s Financial Health Check helps assess the health of organization’s financial management. It is designed as a self-assessment tool so that you can identify the areas where you need to improve. The Health Check is a set of statements of good practice. They cover all the key areas of NGO financial management. For each statement, you consider how well the organization is in line with good practice.

Reliability of the instruments

Mango is a UK based charity which exists to strengthen the financial management of not-for-profit organizations, including NGOs. Mango publishes freely available tools, like this one, as well as running training courses and providing finance staff to work with NGOs. The tool was particularly designed for small and medium sized not-for-profit organizations (or field offices). This includes Non-Governmental Organizations, schools, medical centers, churches etc.

Measurement of variables

Six key variables were measured using scores 5, 4, 1 and 0. These included planning and budgeting, basic accounting system, financial reporting, internal controls, grant management, staffing and general questions regarding NGO good practices.
Respondents’ answers ranging from True, sometime and not true was used to collect information which was used to measure variables. The measurement of the variables was done against the general accepted accounting standards GAAT.

Data analysis

The primary data that is used in the analysis is the result of the survey conducted at MAGGA where all the data collected was coded and arranged according to the research themes to examine the real life situation. Due to the number of questions raised in the questionnaire and the comprehensiveness of the survey, a quantitative method will have to be used along-side descriptive and explanatory analyses, where appropriate. To some extent, quantitative elements like percentages, ratios and graphs will be used to give more meaning to data analysis and interpretation which will provide the best possible outcome when analyzing and interpreting the primary data. This gave the researcher an opportunity to get a deeper understanding of NGO good practices and financial health practices. For this reason I have used Mango financial health tools to say something meaningful about the quantitative data.

Ethical considerations

This research took into consideration a number of ethical considerations namely here;

- Permission was asked and obtained from relevant NGO before the researcher was allowed to conduct interviews with staff from the respective NGOs.
- Secondly, all secondary materials in this research, their sources have been provided and Quotes from individuals respondents, their names have been concealed for confidential reasons.

Limitations of the study

Although this study was conducted in the most professional manner possible, the deadlines for this project allotted a limited amount of time for data collection. Additionally, some staff refused to respond to complete the questionnaire or give out information of the NGO due to the sensitive subject matter. This severely limited the responses collected. The researcher endeavoured to capture some statistical data both from the primary and secondary source and these have been used to bridge this gap. Despite these limitations sufficient and reliable data was collected to render the study meaningful in order to arrive at a useful conclusion.

Data presentation and interpretation

Introduction

This chapter presents the key findings of this research according to research objectives and the research questions. The findings in this chapter have been arranged according to the following research themes, evaluation of the existence of good financial health practices in small NGO which include accounting and internal control system, financial reporting, planning and budgeting, grant management, and staffing where it will offer descriptive analysis followed by analysis by research objectives. The chapter further looks into the constraints grass roots NGOs like MAGGA encountered during the implementation of donor-aided projects. The results are categorized per different analysis test performed.

Descriptive analysis

To analyse data emerged during the interview and review of NGO audit reports, donor spot check and monitoring reports and general responses which were not covered by the questionnaire, a descriptive analysis is compiled in line with the research variables. These describe the respondents in terms of responses to financial health practices of the chosen NGO which include planning and budgeting, internal controls, staffing grant management and financial reports discussed below:

Descriptive analysis –planning & budgeting

For good financial management, an NGO need to prepare accurate budgets, in order to know how much money is needed to carry out NGO work. A budget is only useful if it is worked out by
carefully forecasting how much you expect to spend on your activities. Budgets should not be
documents, which are developed each year, only to be filed away until the next year. They should be
useful tools, used to anticipate problems and to provide a baseline against which actual program and
financial experience can be monitored.

When budgets are designed to create an impression rather than an expression of program plans,
they lose their ability to assist the organization in planning, monitoring and controlling.

The research has revealed that MAGGA has effective budgets which accurately anticipate and
project the interplay between program and fiscal activity though we noted that budgets are not
prepared in good time for all costs for running the NGO. An effective budget serves as a guideline,
which reflects the best estimate by an organization’s decision makers of the anticipated income and
the costs of operating various program activities.

Budgeting is about working out how much your planned activities are likely to cost. The research
has revealed that both program and finance staff is involved in setting budgets, which has assisted
MAGGA to create a foundation for good cooperation and coordination during implementation and
budget monitoring. MAGGA makes a 12 month cash flow forecast January to December which is as
important as a budget. MAGGA implements and reports on quarterly basis and this help them to
prioritize the timing and scale of planned activities and to spot cash flow problems in goodtime.

Budget has a crucial role to play in strong financial management. MAGGA board approves
budgets and they check if it is aligned and reflect the planned strategic direction of the NGO. MAGGA project manager during the interview noted that budget assist them to guide implementation
and check on progress. The research also revealed that MAGGA is currently not using computer
accounting package which also poses a challenge for the NGO to use the accounting codes for
budgeting. The absence of the accounting codes makes the finance and program team difficult to track
actual spending against expected expenditure in the budget monitoring reports.

Descriptive analysis – basic accounting systems

A basic accounting system is in place and working using excels sheets. The acting Executive
director of MAGA during the interview revealed that they used to have computerized accounting
package which is currently not working as it was destroyed by thunder storm. Despite this weakness
we noted that most financial transaction are backed up by a ‘supporting document’, e.g. a receipt,
invoice or sign sheet (e.g. for many travel reimbursements) as revealed in 2013 UNFPA quarterly
spots checks reports and annual audit reports which was made available to the interviewer.

MAGGA check the accuracy of the accounting books at the end of each month by carrying out
reconciliations’. The bank statement balance is compared to the bank cash book closing balance. A
physical cash count is done to check the closing balance in the petty cash book.

The research has further revealed that MAGGA is currently not using the accounting codes instead
they are using the donor descriptive activity lines to guide them on project implementation and budget
monitoring.

Descriptive analysis – financial reporting

This section reports on the findings on preparing, reviewing and submitting financial reports to the
donor. A normal financial report summarizes income and expenditure over a certain period of time
which is created by adding together similar transactions. Financial reports summarize the information
held in the cash book. This is normally done using a system of codes, to allocate transactions to
different categories. Reports should also have the right format for their use, e.g. donor formats as per
grant agreements, standard formats for annual audited accounts, accessible formats for beneficiaries,
user friendly formats form anagers

The research revealed that MAGGA prepares reports for its donors on quarterly basis though Board
of Trustees does not review it on quarterly basis as required to oversee the finances of the NGO.
Managers need up-to-date figures to monitor projects and make decisions. Donor agencies need
reports to check the use of their money, and often as a condition for further funding. Increasingly,
organizations are sharing financial information with beneficiaries to increase accountability and build
confidence. The research further noted that MAGGA has annual external auditors who verify the
accuracy of the financial statements apart from donor quarterly monitoring visits and spot checks. Project managers should use financial reports to help make decisions so that the money is used efficiently and effectively to achieve desired outcomes.

The research has further revealed that MAGGA submit reports to its donors based on the donor requirement as different donors requires different reporting formats showing the relevant level of detail according to grant agreement or letter of understanding (LOU) for example, UNFPA and other UN agencies have a standard format for NGO requesting funds and reporting using what they call Funding and Authorization Certification of Expenditure (FACE) form.

**Descriptive analysis- Internal Controls**

The central theme of effective internal control is to identify the areas of the organization that need to be monitored and protected, determine where possible risks to these are sexist and implement controls to manage these risks.

This section specifically investigated and presents results on Internal control activities used by MAGGA which include approvals, authorizations, verifications, reconciliations, reviews of performance, security of assets, segregation of duties, and controls over information systems. Essentially control activities will assist in deterring, preventing and disclosing risk events in the organization.

The checklist which was used through a questionnaire revealed that Internal controls systems of policies and procedures that safeguard assets, ensure accurate and reliable financial reporting, promote compliance with laws and regulations and achieve effective and efficient operations are in place and working. These systems not only relate to accounting and reporting but also include communication processes both internally and externally, staff management and error handling.

Sound internal controls which is in place and working at MAGGA include procedures for handling funds received from donors and expended by the organization, preparing appropriate and timely financial reporting to donors, board members and senior management, conducting the annual audit of the NGO’s financial statements, evaluating the performance of the NGO, evaluating staff and programs, maintaining inventory records of property, implementing personnel and conflicts of interest policies.

The above controls have assisted MAGGA to safeguard the assets; accounting records are accurate and up to date, timely submission of reports to donors and this has contributed to record high implementation rate of its programs.

**Descriptive analysis - grant management**

MAGGA get its funding as grants from donor partners. The interviews revealed that it has grant agreements in place that outlines the amounts and timings of funds to be transferred. Its donors fund specific projects with specific budgets which form part of the agreement.

The finding of this research builds on the practical realities of grant management. The research noted that grant agreement contains a number of grant conditions, including procurement rules and reporting requirements. Furthermore, we noted that program and finance staff work together to ensure consistency between the narrative and financial reports about the same project.

MAGGA work with five donors since 2010 and there is a signed grant agreement in place for each grant. The research further revealed that donors receive financial reports in the right format and on time. The research revealed that MAGGA keep track of which donor is funding which project (or part of a project) and it avoids borrowing money received from a donor for a specific project for another purpose.

**Descriptive analysis - Staffing**

This section investigated on the skill possessed by the board, managers and program officers and finance team to effectively contribute to the achievement of the NGO goals. The role of the board is not to undertake operational activities, but to support and govern – the exception to this is in the case of small NGO like MAGGA. An important part of the board’s responsibility is to question and monitor the activities of the organization, especially in relation to the financial health and overall
viability of the NGO. It is imperative that the board develops appropriate methods to undertake this responsibility, such as reporting mechanisms and board sub committees (e. g. Audit risk committee) that provide an appropriate over view of relevant information.

MAGGA acknowledged during the interview that it is understaffed as the Executive director is not yet recruited and there is one in acting capacity with the skills need to oversee all the financial activities and, at times, there is a need for everyone in the NGO to contribute to particular tasks to get a job done. From a governance perspective, this often means that MAGGA acting Executive director move from an over sight role into an operational role. However, the research noted that all roles have clear definitions and boundaries which remain clear, even if the same person is fulfilling a range of duties.

Good financial management is dependent on staff with the right skills, support, and attitude to carry out the irresponsibility’s. All staff has a role to play in financial management. The accounting staff is part of a wider team including the Executive Director, Program Managers and the Board. The scoring of the questionnaire revealed that MAGGA has staff with required qualification and skills and work as a team in achieving the NGO objectives which has resulted achieving over 83% implementation rate since 2010 to 2013 as seen in figure 11. Integrating good financial management in to programs involves budget holders and finance staff working hand in hand through all the stages of the financial cycle.

It may be difficult to assess the technical competence of accounting staff. Good indicators are the timeliness of reports, then neatness of files and records in the accounts office, and auditor’s comments or recommendations. Review of financial and program reports submitted to donors and the analysis of the data revealed that MAGGA submits reports to its donors on time which has assisted the NGO to improve its relationship with donors.

**Analysis of the results based on independent variables**

To achieve the objectives of the research, each statement of best financial health management practices was discussed whether it is true, or is in place, or happens through questionnaire administered for each section. It was agreed on a score based on what actually happens, not what is supposed to happen, or what is documented in finance manual of MAGGA. The scores used were 5, 4, 1 and 0 only.

<table>
<thead>
<tr>
<th>Table 4.1: Explanation of Scores used</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explanation</td>
</tr>
<tr>
<td>Our practice is totally in accordance with the statement</td>
</tr>
<tr>
<td>Close to 5, but not quite there</td>
</tr>
<tr>
<td>Close to 0, but not that poor</td>
</tr>
<tr>
<td>This is not in place, or is not true or does not happen</td>
</tr>
</tbody>
</table>

After collecting and cleaning the data it was summarized for analysis. Packages Scientists (SPSS) was not used due to nature of the data including statistical tests were not run to analyse the data.

**Interpreting the Score**

The purpose of this study was to analyse the relationship between financial health management practices and the implementation rate. To determine the effect of financial health management practices on implementation rate, a questionnaire was administered and findings are summarised below.

Score for each section was summarised in table 4.1 below and then compared it to the columns on the right table 4.2.1 which show the appropriate level of financial health management practices assessment for each section the research evaluated.

<table>
<thead>
<tr>
<th>Table 4.2: Summary of Results (Scores)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Health Practices</td>
</tr>
</tbody>
</table>
The analysis of the results in figure 5 above indicates that the NGO scored 254 overall which is 84% financial health management practices integration. Score range from 241 - 300 shows high financial integration. This means that there is high financial integration for this NGO. The financial management of the NGO is in good shape. The risks of the NGO not being able to complete its programs because of financial problems are low.

An NGO effective financial management requires strength in all six areas in the above figure. We have considered each section and analyzed below:

**Planning and budgeting**

According to Keating & Frumkin (2003), Planning & budgeting are those processes where by the organization sets goals and objectives, allocates its resources among its activities and decides how those activities will be operated. On planning and budgeting the results shows that the NGO scored 34. The NGO has a reasonable level of integration of financial management. The NGO can improve the situation with some careful planning. Further improvements may be very useful, helping prevent misunderstandings and conflict; making procedures more efficient; helping staff do their jobs better and more efficiently; and making more effective use of the donor funds.

**Basic accounting systems**

According to Keating & Frumkin (2003), in most NGOs funds from donors are poorly managed and their accounting systems are in poor order. Contrary to this statement, the results show that the NGO has basic accounting system in place and scored 51 on this section. This means that the NGO has a high level of integration of financial health management practices in this area which is in conformity with Schnelder(1989) who stresses that the heart of fiscal management in any organization is a good accounting system that is appropriate to that organization. Ebrahim, (2003) notes that NGOs respond to issues of accountability with both tools and processes. An NGO should put in place tools like financial accounts, monitoring, quarterly reports, annual reports, performance assessments, independent evaluations and audits. Marshall (2002), also adds that the most obvious way to ensure that NGOs are transparent is a full disclosure about their activities, which will enhance public trust. The NGO can then make informed decisions so that it can deliver a project within budget, avoid cash flow problems, and make future plans. This can be achieved if they clearly record all its receipts and payments, and file supporting evidence for every transaction; it means that other people can also have a look at what has happened if good accounting system is in place.

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### Table 4.2.1: Level of Risk/Good practices

<table>
<thead>
<tr>
<th>Low Financial Integration</th>
<th>Medium Financial Integration</th>
<th>High Financial Integration</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 – 25</td>
<td>26 – 40</td>
<td>41 – 50</td>
</tr>
<tr>
<td>0 – 30</td>
<td>31 – 50</td>
<td>51 – 60</td>
</tr>
<tr>
<td>0 – 20</td>
<td>21 – 35</td>
<td>36 – 40</td>
</tr>
<tr>
<td>0 – 40</td>
<td>41 – 60</td>
<td>61 – 75</td>
</tr>
<tr>
<td>0 – 15</td>
<td>16 – 25</td>
<td>26 – 35</td>
</tr>
<tr>
<td>0 – 20</td>
<td>21 – 30</td>
<td>31 – 40</td>
</tr>
<tr>
<td>0 – 150</td>
<td>151 – 240</td>
<td>241 – 300</td>
</tr>
</tbody>
</table>

Source: Primary data
Financial reporting

The NGO scored 29 and this shows that the NGO has a medium level of integration of financial management practices in this section. The results is in line with the observation of (Sioan, 2001) who argued that the financial report is the first source of independent and true communication about performance of company managers. Cohen, Krisnamoorthy and Wright, 2004 added that one of the most important functions of corporate governance is to ensure the quality of financial reports.

Furthermore Gale (2003), observed that poor quality of financial reports greatly diminishes the quality of NGOs and he further noted that integrity of the non-profit sector is served best if NGOs are accountable (Gale, 2003).

Keating and Frumkin (2003), state that in order to determine the effectiveness of a financial reporting system, one must understand its objectives. Poor results in this section could lead to misunderstandings and conflict with donors on financial accountability. (Terry Lewis, 2013) assets that financial reports have to be read alongside narrative reports, so that you can build up a picture of what has been achieved with funds and whether it seems to represent good value for money.

Internal controls

According to (“CPA Australia”), 2011 Effective internal controls require planning and assessment by the organization from the outset. To agree with this statement the figures show that the NGO scored 73 in this section which was the highest score compared to other sections. According to (HACT framework 2014), such type of results indicates a developed financial management system and control framework with a moderate likelihood of negative impact on the implementing partner’s ability to execute the programme in accordance with the work plan. This will help the NGOs handle everyday risks of mistakes, confusion or fraud and protect staff from any pressure to misuse funds and from the suspicion of wrong-doing. Furthermore, the NGO will minimize financial risk and use the organization resources effectively. This statement is supported by (Collier et al., 2007). Who observed that risk management is viewed as a cornerstone of good corporate governance and therefore results in better service delivery, more efficient and effective use of scarce resources and better project management.

Grant management

The analysis in figure 5 shows that the NGO in this section scored 35 which show that there is a high financial health management practice. Proper grant management and keeping donors happy is a key to achieving objectives, and financial survival for an NGO. The result in this section undoubtedly contributed to win donor support and high implementation rate

Staffing

According to (CPA Australia 2011) assets an effective control environment is an environment where competent people understand their responsibilities, the limits to their authority, and are knowledgeable, mindful and committed to doing what is right, and doing it the right way. This statement is confirmed by the results of the case NGO who scored 32. A range of 31 -40 is regarded as high financial health practices in this section. The results show that the NGO has competent staff that can assist the NGO to achieve its intended goals. The researcher also observed elements of good leadership and governance. This is in line with the observation of John L. Colley, Jr., Jacqueline L. Doyle, George W. Logan, & Wallace Stettinius (2003) who noted that directors need to follow the laws and build records of what they have done to protect themselves from challenges that have the advantages of hindsight.
The figure above shows that the NGO had five donors and administration account. Its total funding in 2010 to 2013 ranges from 107 to 221 million Malawi Kwacha. This shows that the NGO has won the interest of donors. The steady funding for four consecutive years by the same donors shows that the donors have confidence in the NGO and there is low level of financial risk. The good score of the six variables by the NGO in figure 4. 2 contributes to attract the donors. The observation in figure 4. 1 above is in line with a study carried by Keating and Frumkin (2003) which indicates that financial accountability helps stakeholders such as donors, clients, government and the public assess the financial credibility in the use of funds, which increases public confidence in the governance of the NGOs.

The results above reveal that since 2010 to 2013 MAGGA had a steady funding and it appears that the NGO implemented its programs on time as revealed by the trend above. The figures show that the monies from the donors increased quite significantly in favour of the case NGO, however at an increasing rate for internally generated funds in administration account. There was high percentage of funds used compared to the remaining unutilized funds at the end of each financial year. The trend also confirms that the NGO has capacity to implement the activities.
The figure 4.3 above demonstrates that the NGO was being guided by its annual work plan budget when implementing its programs. Out of the disbursed funds, the NGO utilized 94% of the funds and this represent high implementation rate. The information in figure 4.3 above, agree with León(2001) who suggests that the facial sustainability of an organization relies on strategic and financial planning and found administration and finance (p. 16) Furthermore, (Kotloff & Burd, 2012, p10) noted that a complete understanding of all costs is critical to good fiscal management but budgets used to be based on accurate information about the organization’s programs and services. This statement and many more observation of past research, confirms the importance of planning and budgeting for an NGO to successfully implement its planned programs.

The figure 4.4 above shows that some NGOs implementation rate was below 15%. The low implementation rate by some NGOs could be as a result of absence of the six financial health management practices which are also worth investigation. During the UNFPA annual review meeting held in Blantyre Malawi in December, 2014 implementing partners revealed that late funding contributed to the poor implementation rate of their NGOs. For instance funding for second quarter April to June, 2014 was given in the third quarter around July and September, 2014 at a time the NOs were supposed to be implementing third quarter activities. Furthermore, it was discovered that some NGOs implemented the activities but reports were not submitted to the donors. When asked why the reports were not submitted on time, the workshop noted that staff turnover especially in the accounts
department and program staff contributed to the late submission of reports this affected mainly programs implemented by government since accounts staff in government can be transferred to any department or ministry at any time. Besides that, the donor observed that some implementing partners submitted poor reports which were turned to the NGO for correction. In the same vein, some reports contained expenses not related to the program activities which were not even in the annual work plan budget and were included on expenses reported to the donor which were disallowed. These sentiments and many more contributed to low implementation rate. Good financial accountability limits fraud and mismanagement and attracts donor interests- Furthermore, Leat (1988), adds accountability with sanctions, where some form of penalty should be imposed if the account or the actions are inadequate.

Marshall (2002), also adds that the most obvious way to ensure that NGOs are transparent is a full disclosure about their activities, which will enhance public trust. To agree with Leat (1988) and Marshall(2002) above, the donor has stopped funding some implementing partner directly, instead the donor is making direct payment to service providers although the activities are being implemented by some NGOs or government implementing partner as a form of penalty or risk management step to minimise financial risks.

**Figure 4.5:** MAGGA Funding and Funds Utilization 2010 -2013
Source: Primary data

The figure 4. 5 above shows that the NGO funds utilization rate was very high for all the four years under review. This high utilization rate is a result of good financial management practices demonstrated in table 4. 2 where the summary of the score shows existence of good financial health practices.

**Figure 4.6:** MAGGA Implementation Rate for its donors 2010 - 2013
Source: Primary data

Figure 4.6 above summarises the total donor funding for the years 2010 to 2013 for the NGO. The analysis reveals that the NGO implementation rate from 2010 to 2013 was above 83% and in 2011 the NGO implementation rate was as high as 94%. This is as result of good financial health management practices of the organization. This confirms that there is a strong relationship between financial health management practices and program implementation rate.
The strength of this NGO is the fact that it has scored well in all the six sections. On the one hand, it was observed in this research that the effects of good financial health management practices affect the overall performance of the NGO as all the six variables are equally important in program implementation. Interviews with the case study NGO showed that it valued the skills and exposure that come with donor-aided projects and that the projects had significantly contributed to the development of human resources within the NGO through on the job training supported by the donors as part of capacity building. This research has therefore established that there is a relationship in financial health management practices and implementation rate.

Discussion of research findings, conclusion and recommendations

Discussion of findings

The objective of the study was to establish the relationship between financial health management practices and implementation rate. The analysis of the data obtained from the study summarised in table 4.2 and relevant graphs, indicated that a strong positive relationship existed between financial health management practices which include budgeting and planning, internal control system, accounting system, grant management, financial reports, staffing and the NGO program implementation rate. This implies that if the overall financial health management practices of an NGO are strengthened will improve program implementation rate, leading to improved financial accountability, transparency and reduced financial risk which will win donor confidence for sustainable funding.

Contrary to the expectation of the researcher, the research has further established that donors also contribute to poor implementation rate by late funding the NGOs supplemented by lack of program monitoring and spot check visits. This give room to the NGOs to use donor funds in activities not covered in the agreed annual work plan with the donor and create challenges to submit timely reports. Donors further contribute to poor implementation rate by not providing capacity building to the NGOs through organised training especially for new staff on their reporting requirements. These are the major constraints the NGOs face when implementing donor funded programs.

Relationship between budgeting/planning and implementation rate

The analysis of the results on budgeting and Planning in figure 4.2 and 4.3 has established the strong relationship that exist between good budgeting and planning with the implementation rate in figure 4.6 where the NGO achieved over 83% through 2010 to 2013. Analysis of the results in figure five has established that the NGO has financial practices which are rigorous and the budget has significant detail and trend data by donor. The NGO engages donors directly to monitor accountability through spot checks and program monitoring in addition to the annual audit, which permits for direct oversight and deeper, more devoted partnerships with the donor. This is a smart financial practice as well as an excellent stewardship strategy which has contributed greatly for the NGO to achieve high implementation rate of above 83%.

Relationship between basic accounting system and implementation rate

On accounting system, the study findings as seen in table 4.2 support the relationship between accounting system and the implementation rate. According to the results show that the NGO has basic accounting system in place and scored 51 on this section which means that the NGO has a high level of integration of financial health management practices in this area which is in conformity with Schnelder (1989) who stresses that the heart of fiscal management in any organization is a good
accounting system that is appropriate to that organization. This means that in order to achieve high implementation rate, it is necessary to establish standards and a system for accounting practices.

**Relationship between financial reporting and implementation rate**

In the section of financial reporting, analysis has shown that the NGO scored 29 which show that the NGO has a medium level of integration of financial management practices in this section. This confirms the assertion of (Sioan, 2001) who argued that the financial report is the first source of independent and true communication about performance of company managers. Cohen, Krisnamoorthy and Wright, 2004 added that one of the most important functions of corporate governance is to ensure the quality of financial reports.

Furthermore Gale (2003), observed that poor quality of financial reports greatly diminishes the quality of NGOs and he further noted that integrity of the non-profit sector is served best if NGOs are accountable. (Gale, 2003). This statement and the research findings together with the outcome of UNFPA annual review report confirms how financial reports directly affects implementation rate. Furthermore, Keating and Frumkin (2003), agree with the above findings and comments that in order to determine the effectiveness of a financial reporting system, one must understand its objectives. Poor results in this section could lead to misunderstandings and conflict with donors on financial accountability. (Terry Lewis, 2013) assets that financial reports have to be read alongside narrative reports, so that you can build up a picture of what has been achieved with funds and whether it seems to represent good value for money

**Relationship between internal control and implementation rate**

On internal control, the results show that the NGO scored 73 in this section which was the highest score compared to other sections. According to (HACT framework 2014), noted that a developed financial management system and control framework with a moderate likelihood of negative impact on the implementing partner’s ability to execute the programme in accordance with the work plan. This means that an NGO with developed financial management will be able to implement its planned programme. This statement is supported by (Collier et al., 2007) who observed that risk management is viewed as a cornerstone of good corporate governance and therefore results in better service delivery, more efficient and effective use of scarce resources and better project management. The assertion of (Collier et al., 2007) and the research findings convinced the researcher to conclude the existence of the relationship between internal control and implementation rate.

**Relationship between grant management and implementation rate**

On grant management, the research noted that an NGO which comply with grant agreement will likely manage to implement its planned activities without conflicts with donors. The research revealed that grant agreement contains a number of grant conditions, including procurement rules and reporting requirements. MAGGA work with five donors since 2010 and there is a signed grant agreement in place for each grant. The research further revealed that the NGO submits financial reports in the right format and on time. The research noted further that MAGGA keep track of which donor is funding which project (or part of a project) and it avoids borrowing money received from a donor for a specific project for another purpose. This confirms that an NGO to successfully implement its programme, it has to comply with the grant agreement.

**Relationship between staffing and implementation rate**

The research has managed to prove that good financial management is dependent on staff with the right skills, support, and attitude to carry out their responsibilities. All staff has a role to play in financial management. The scoring of the questionnaire revealed that MAGGA has staff with required qualification and skills and work as a team in achieving the NGO objectives which has resulted achieving over 83% implementation rate since 2010 to 2013 as seen in figure 4. 6. This concludes that integrating good financial management in to programs involves budget holders and finance staff working hand in hand through all the stages of the financial cycle. Furthermore (Kotloff & Burd,
2012, p. 10) observed that having appropriate software and trained staff helps to reduce inefficiencies and generate more accurate and reliable financial information.

**Conclusion**

This research has achieved the research objectives and the key research questions were answered and therefore make the following conclusions. The findings imply that high implementation rate of an NGO can be greatly improved if all the six variables discussed in this paper together with intervening variables are strengthened. The research has disclosed that capacity building, quarterly program monitoring and spot check including auditing mitigates financial risk and facilitate program implementation rate.

The analysis of the results further concluded that there is indeed a strong relationship between financial health management practices and implementation rate. It further revealed that though the financial health management practices facilitate high implementation rate, donors should also respect grant agreement and annual work plan on funding schedules as late funding affect timely reporting and implementation rate. This shows that donor aided projects designed and implemented by NGOs are often influenced by donor’s policy objectives with less consideration of the challenges the NGO face in implementing the programs. The research findings has managed to confirm past research results on the same area as demonstrated in the literature review and several examples given in the discussion of the research results.

**Recommendations**

Below are some of the recommendations drawn from the discussion and analysis of the research findings. The recommendation are structured and directed to the NGO and the donors. As a result of this research the author has recommended for further research in the same area.

** Recommendation to the NGO**

The management of the NGOs are encouraged to make sure that the culture of financial health management practices stays embedded in their NGO. This can be achieved if the NGO make sure that new staff receive regular training and financial information and this can also be supplemented by donor support through capacity building, spot checks and regular program monitoring.

NGOs must use these financial health practices to link financial resources and programming with the needs of the donor and chart compliance with governance issues. Each NGO should view financial health management practices as one that needed often in order to better understand the value it is providing to the NGO and in order to build a strong case for support from donors as observed by Marilyn (2004), who observed that an explicit governance structure is the first step toward establishing a stable and predictable framework for accountability in an NGO. However, in order to yield positive results the process of strengthening these variables by the NGO should be continuous. Finance, operations and program staff should work together towards the same goal and each side needs to understand how their roles are both important to achieving the NGO’s mission so that they are bound together as a strong united team rather than working in silos.

** Recommendation to the donor**

The donors late funding contributed to the poor implementation rate and donors are encouraged to disburse funds to NGOs as per agreed annual work plan and based on the NGO capacity. Furthermore, the donors should intensify assurance activities like quarterly program monitoring and spots checks and audit to discover and address bottle necks which affect project implementation and associated challenges the NGO is facing. Donors should also continuously give capacity building support to NGO to train them on procurement, reporting and other donor requirements. Donor funding per quarter is a good practice and donors should desist from funding an NGO before liquidating the first or previous funding or advance to mitigate financial risks. UN agencies with NGO implementing partners are encouraged to comply with HACT framework 2014 procedures as it is intended to serve as a simplified set of procedures on requesting, disbursing, providing assurance, and reporting on
funds as a way to effectively manage risks, reduce transaction costs and promote sustainable
development in a coordinated manner by carrying micro assessment risk rating.

Further research

Similar study to be done on the same topic with more NGOs and statistical tools for analyzing
results should be included beside the current tools used by the author.

Although the article offers well-supported arguments it has to be admitted that the current study is
still far from being conclusive as observed in the discussion of results. Further studies must be
undertaken, better measures must be developed, and larger samples from different NGOs must be
used to improve our understanding on how the financial health management practices affect
implementation rate. There is data gap which future research should address.

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The Impact of Budgeting and Budgetary Control on the Liquidity Levels of Non Profit making Organizations in Uganda

A Case of Infectious Diseases Institute in Kampala District

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Abstract

This study was conducted using Infectious Diseases Institute (IDI) as the Case study. A sound and effective budgeting system is based upon certain prerequisites/or conditions. Failure to observe and appreciate these essentials will render the budgeting exercise ineffective (Arora, 1995). It was against this background that the study was aimed at examining the effectiveness of IDI budget systems and its impact on the liquidity levels of the Institution.

The respondents were selected using purposive and simple random sampling techniques. Descriptive and Associational research designs were adopted with Data gathered through Questionnaires and interview guides. The SPSS technique was used to establish the relationship between Budgeting systems and liquidity levels.

The major findings from the research study indicated that the budgeting systems used were inapt. It was also revealed that, there exists a positive relationship between Budgeting systems and control and liquidity level. In this respect, it was concluded that though many other factors were pointed out as possible causes of the declining levels of liquidity in the Institution between 2010 and 2014, poor budget systems and budget control strategies were largely held responsible.

Considering the persistent declining liquidity trend, a new approach of budgeting which encourages improvement by eliminating inefficiencies and wasteful expenditure should be adopted.

Introduction

This chapter gives details of the background, problem statement, purpose, objectives, research questions, significance and the scope of the study.

Background to the study

Budgeting is a process involving the planning, in financial terms, of a comprehensive and co-ordinated framework for guiding the periodical acquisition, spending and control of funds in order to achieve the desired financial performance targets. (Pandey, 1996). Accordingly, budgeting is one of the major factors that affect the Liquidity of any enterprise or project, be it private or public. Thus for survival of any organization, management need to embark on effective budgeting and control to effect proper planning and control (Idegwe, 2013)

Liquidity refers to the ability of an organization to meet its short term obligations. In other words, it is the ability of an organization to make funds available on demand at short notice, to cater for its operational demands (Rosenburg, 1983). There are several interested parties in the liquidity of an organization. These include suppliers of goods and services on credit, employees, donors and lending financial institutions. Therefore, any organization that cannot continue to honour its obligations to any of the above stakeholders can be declared a sick or bankrupt organization. As Riddel (1995), points it out, there is always need for any organization to maintain a certain degree of liquidity in order to enhance its operations.

Infectious Diseases Institute (IDI) is a Ugandan not-for-profit organization, owned by Makerere University and funded through diverse public and private resources. IDI’s mission is to strengthen health systems in Africa, with a strong emphasis on infectious diseases, through research and capacity development. The Institute began life in 2002 with most of its
key funding coming from Pfizer Inc. Over years, IDI has built a broad funding base with over 80 projects currently in progress. Key funders include; US Centres for Disease Control (CDC), the US President’s Emergency Plan for AIDS Relief (PEPFAR), Bill and Melinda Gates Foundation, US National Institutes of Health (NIH), European Union, Government of Uganda (GOU), ELMA Foundation, and many various US Corporations and Universities.

Generally, IDI’s funding base has tremendously expanded over years. However, despite all this the institute continues experiencing budget shortfalls. Given this trend of events, its highly questionable whether proper budgetary control techniques are applied. Generally, there is still lack of focus on strategic areas on which the funds got should be prioritized. This trend of events could be attributed to inappropriate budgeting systems and control techniques applied at the institute.

Statement of the problem

Budgeting has been described as a planning tool for setting a framework to guide the achievement of the desired performance reflected in the set targets according to Pandey, (1996) & Hay and Engstron, (1987). Budgets are necessary to prudently manage scarce financial resources and at the same time as means of expenditure authorization, control and evaluation base, Julia (2001). Like any other Organization, Infectious Diseases Institute has a budget system in place and a fully-fledged budgeting team to plan and monitor its budget performance. However, in spite of this, it is evident that for the past four financial years, the Organization continues facing budgetary problems indicated by shortages of funds to finance its key strategic activities. This explains why the institute has had to adopt various stringent approaches in order to continue operating at a break even budget. There was retrenchment of staff from key departments such as Grants & Contracts, Prevention & Treatment (PCT), Training, Operations and Research, as well as phasing out of the team that was providing refreshments and tea at the IDI facilities. As such, if the problem continues to exist there are threats that the donor organizations may withdraw its further intentions of funding the institute’s operations which may lead to its subsequent closure. It’s because of this that the research picked interest in analyzing the effectiveness of IDI’s budgeting systems.

Purpose of the study

The major aim of the study will be to examine the impact of Budgeting and Budgetary controls on the liquidity levels of Non-governmental Organizations in Uganda, a case of Infectious Diseases Institute.

Objectives of the study

(i) To investigate the appropriateness of the budgeting system used in Infectious Diseases Institute.
(ii) To establish the level and trends of liquidity in the organization
(iii) To establish the relationship between budgetary control and the liquidity levels of the Organization.

Research questions

(i) How appropriate are the budgeting systems used in the Institution?
(ii) What are the levels and trend of Liquidity in Infectious Diseases Institute?
(iii) What is the relationship between budgeting and the liquidity of Infectious Diseases Institute?

Scope of the study

Subject scope

The study was confined to examining the impact of budgeting and budgetary control on the liquidity level of Infectious Diseases Institute. The study aimed at investigating the budgeting
systems used and evaluating strategies used towards budgetary control so as achieve the targeted liquidity levels in the Organization.

**Geographical scope**

The study was carried out at Infectious Diseases Institute which is located at Mulago Hospital Complex, in Kampala Uganda, East Africa.

**Time scope**

In terms of time scope, the study covered the liquidity performance of the Organization for the financial periods July 2010 to June 2014

**Significance of the study**

It is hoped that the study will be useful in the following ways;

(i) This research will help the management of infectious Diseases Institute to appreciate the benefits of applying proper budget control systems.
(ii) The study will help the donor community to appreciate the impact of budgeting on the effectiveness of their disbursed funds.
(iii) The study is intended to add to the existing literature on budgeting and liquidity performance, to help future researchers in similar fields of study as a reference.

**Literature Review**

**Introduction**

This chapter provides a review of the existing literature by other researchers/or scholars towards the variables under study, that is budgeting and liquidity. It also tries to explain in detail the different stages of budgeting, the major participants in the budgeting process and the major approaches of budgeting. The major liquidity indicators are also clearly highlighted, plus a review of the relationship between budgeting and liquidity.

**Budgeting**

**Budgeting defined**

In an attempt to explain what a budget and budgeting is, a number of definitions have been put forward by different Authors and scholars. These include;

A budget is a quantitative expression of the goals and objectives an organization wishes to achieve and the costs of attaining those goals (Drury, 1992; Lucy, 1996). Budgets are part of a larger system that involves setting goals and objectives, considering alternatives and ensuring that the organization efforts and activities are directed towards achieving the slated objectives.

Horngren et al (1993) defined a budget as; "a formal quantitative expression of a plan that provides a bench mark against which to measure actual performance. In other words, a budget is a quantitative plan of action expressed in monetary terms and is used as a tool to control resources.

According to Stoner et al (1996), a budget is a formal quantitative statement of resources set aside for carrying out planned activities over a given period of time.

Pandey (1996) describes budgeting as a; "process of preparing in financial terms, a meaningful time based course of action for achieving management expectations, that is to say; it provides a frame work for implementing a planned course of action using the available resources and therefore provides a means of controlling the performance of individual units within an Enterprise, and of the Enterprise as a whole, so that the desired results are achieved.

According to Balunywa (1997), budgeting is referred to as; the establishment of budgets relating to the responsibilities of executives to the requirements of policy and the continuous comparison of actual results with budgeted results. The objective of that policy is to provide basis for revision.

To crown it up all, the Chartered Institute of Management Accountants, London, defines a budget as, "a plan quantified in monetary terms, prepared and approved prior to a defined
period of time, usually showing planned income to be generated and/ or expenditure to be incurred during that period". This implies that a budget is a plan of management intentions of attaining specified objectives.

N.B The process of preparing and using budgets to achieve the specified organizational goals and objectives is what is referred to as budgeting.

However, in trying to analyze all the above definitions, there is one critical observation to note, that is, all the cited authors are very general. They do not specify any type of organization nor project where budgeting can help set goals and objectives to guide the achievement of the desired targets.

This study attempts to scale their observations down to Infectious Diseases Institute-establishing whether budgeting conducted in the institution sets any objectives and targets in order to guide the achievement of its desired Liquidity level.

**Appropriateness of the budgeting process (system) conducted**

According to the management accounting theory, though budgets are important tools in guiding management to focus on organizational goals and objectives, they may not succeed if an effective budget process is not put in place. Therefore, an effective budget process is much more important than having budgets on paper (Drury, 1992)

At this point, it is therefore imperative to discuss the major stages of the budget process, the major players in the process and how if followed effectively may lead to successful formulation and implementation of budgets in an organization.

**Stages in the budgeting process**

The budgetary process involves a series of sequential stages which need to be co-ordinated so as to achieve the final budget. Though many scholars have attempted to analyse these stages, (Drury, 2000); seems to have analysed them in a more logical way. According to him, the stages of budgeting include the following;

**Communicating details of the budget policy**

The need to prepare budgets and the needed guidelines is communicated to those people responsible for the preparation of the budget. Management must ensure that policy effects are made aware to the staff participating in budget making (Drury, 2000)

**Determining the factors that restricts performance**

Such factors are also known as; ‘**Principle budget factors**’. They represent the resources that constrain the productive capacity of the firm. Management should strive and identify the factors that restrict performance, since such factors determine the point at which the annual budgeting process should begin (Arora, 1995) Examples of limiting factors in an institution may include; space (such as lecture rooms), labour hours (especially those on part time basis) e.t.c.

Proper identification of the budget factor enables management to allocate resources in the most efficient manner (Biggs and Benjamin, 1990).

**Preparation of budgets**

According to Drury, 2000; the managers who are responsible for meeting the budgeted performance should prepare the budget for those areas for which they are responsible. The preparation of budgets should be a ‘bottom – up’ process. All these budgets are integrated and co-ordinated into a master budget.

**Negotiation of budgets**

The lower cadres who originate sectional budgets usually present them to their immediate supervisors. These supervisors usually negotiate the budgets with their subordinates or with their supervisors in their lines of command (Arora, 1995).
Coordination and review of budgets

The independent budgets prepared by different sections or departments should be reviewed and reconciled to ensure that they address the same objectives (Hongren, 1993). This examination may indicate that some budgets are out of balance with other budgets and need to be adjusted so as to enhance compatibility of the budget with other conditions, constraints and plans that are beyond a manager’s knowledge or control.

Final acceptance of the budgets

After the prepared budgets have been harmonized and accepted, they are integrated into a master budget. According Kamukama Nixon, (2009); a master budget is a comprehensive plan which covers all operational budgets which include sales budget, production, labour cost e.t.c. The master budget also covers the forecasted statement of comprehensive income, statement of financial position and cash flow statement.

Budget review

This covers a control stage which must be carried out in order to establish whether the set objectives or targets are being achieved. The review exercise also involves taking appropriate actions to address any anomalies (Drury, 2000).

However, any sound and effective budget process is based upon certain pre-requisites. These conditions must exist, absence of which will undermine to a larger extent, the effectiveness of a budget system in any organization. Amanya (1999), pointed out the importance of the following key conditions; Top management support, Employee participation in the budget process and Managerial use of budget information in the budgeting process.

These conditions are briefly discussed her below;

The role of top management in support of the budget process

Arora (1995) asserts that, top management provides an impetus and direction to the budgeting process. According to Amanya (1999), top management support in the budgeting process may take the following forms;

Establishing clear and realistic goals

Budgeting will not succeed if the goals to be achieved are not clear. It is therefore essential for top management to ensure that objectives and goals have been properly laid down and communicated objectively in the budgets (Arora, 1995).

Communicating details of the budget policy

According to Drury (1992), it is top management responsibility to communicate the policy effects of the corporate long-term plan to those responsible for preparing the current year's budget.

Initiating and providing budget procedures and guidelines

To ensure that budget process works out effectively, it is important that suitable administrative procedures are established and then circulated to all individuals who are responsible for preparing the budgets (Morden, 1986).

Initial preparation of budgets

Budget preparation should essentially be a bottom-up process. Managers and their subordinates who are responsible for meeting the budgeted performance should prepare the budgets for the areas for which they are responsible (Stoner, 1996).
Co-ordination of various departmental budgets

Whereas departmental managers should prepare budget estimates, top management is charged with the responsibility of co-ordinating different departmental budgets and finally approving them (Drury, 2000).

Continuous budget monitoring and review

According to Drury (1992), the budgeting process should be seen as a continuous dynamic process. Olive et al (1995) argues that, top management must ensure that clear and comprehensive reports are made frequently and sent to the appropriate budgets to enable them identify items that may not be proceeding according to plan and to investigate into the causes of the differences.

Employee participation in the budgetary process

Olive et al (1995) pointed out that budgets will not achieve their purpose unless they are accepted by the users. Hofstede further argues that acceptance and commitment to the budget targets can be achieved by ensuring employee participation in the budget setting process.

Outcome/results of employee participation

The roles of employee participation in achieving budget acceptance are seen below;

Participation improves on the employee attitudes towards the budget System resulting into acceptance of budgets by the subordinates as their own (Pandey, 1996).

According to Amanya, (1999); Participation leads to improved communication and better budget standards. This results into better budget monitoring and review.

Participation in budget setting will decrease on the likelihood of Information distortion and manipulation (Miller, 1996).

It promotes understanding among members of management of that Organization and their workers hence reducing trivial problems ( Dr. Rao, 1997).

Managerial use of budgetary information

Budgeting is part of management information system that provides managers with useful score keeping and attention directing information to enable them to manage their responsibility centers more efficiently (Olive et al, 1995).

Different approaches (techniques) to budgeting

Different organizations use different approaches (techniques) of budgeting. The choice of budgeting technique adopted by any organization depends on the existing procedures and guidelines as well as on the ease with which a manager finds in using the technique. The major approaches to budget setting and their associated merits and shortcomings are discussed below;

Incremental budgeting

Under this approach, budgets are prepared using the previous budget as a reference point. According to Fozzard .A, (2001); incremental budgeting involves making adjustments to the previous budget figures to cater for inflation and changes in other variables e.g. Exchange rates. Only additional items requested are scrutinized.

This approach traditionally gained a lot of support because it is fairly easy to prepare and saves the budget a lot of time in budget preparation (Drury, 2000).

However, according to Amanya, (1999); the major draw backs to this approach are that previous years’ inefficiencies are perpetuated and also discourages innovation and creativity to budget making.
**Zero-Based Budgeting (ZBB)**

ZBB is a formalized approach of budgeting for the activities of an organization, as if each activity was performed for the first time (Morden, 1986). The technique starts the financial a year fresh. It doesn't base on the previous financial years' budget.

**The major merits of this approach include the following**

It encourages the identification and removal of obsolete operations from the budget. In so doing, previous financial years' inefficiencies are always eliminated in the system. This results into efficient allocation of resources (Grace C.E, 1964).

It ensures continuous re-evaluation of the activities of the organization to ascertain that they are absolutely necessary for the organization, those activities that are of no value find no place in the forthcoming budget even though they might have been an integral part of the past budgets (Arora, 1995).

Staff and managers will have a thorough knowledge of the operations and activities. Since the approach doesn't base on the previous financial years’ budget, managers are always forced to look for alternative ways of providing the functions which increases motivation (Drury, 2000).

However, the technique has also got some challenges;

It is a costly exercise because the budget process is re-started each financial year. It also requires skilled manpower to draw the decision packages and rank them. However, it is normally difficult to get such skilled personnel, who are also expensive to maintain (Amanya, 1999).

It imposes a heavy burden to the budget making process (Drury, 1992). This is because it involves identifying and scrutinizing the various activities to be performed before they are finally considered as necessary for the organization.

In addition, the approach is likely to be resisted by those who fear that their programmes would be jeopardized by a system that subjects them to annual scrutiny (Bellis J, 1991).

Despite the above challenges, ZBB approach has been embraced by most organizations worldwide because it is more forward looking as opposed to (the method of extrapolation of past activities and costs a common feature of incremental based budgeting (Suver and Brown, 1977).

**Activity Based Costing (ABC) approach**

According to Balunywa, (1997), the major purpose of budgeting is to decide how much resource is needed in an organization, to establish the necessary capability to meet current and future organizational goals and objectives.

In this regard, a new approach to budgeting, ABC approach has been proposed by a number of authors and researchers (Belliner and Develin, 1991; Bellis, 1992; Brown, 1994). The ABC approach works on the premise that; it is the activities that drive costs and those activities should be identified with cost pools. The budget is therefore prepared based on the activities to be earned out by each cost centre.

**The approach involves different steps which include the following;**

(a) Identifying the various departments in the organization for which the budget is to be prepared and analyze its major activities for which cost drivers may be identified.

(b) Determining the budget cost of resources to be used by each of the activity.

(c) Deciding on the future activity levels and work backwards to determine the required resources and inputs.

(d) Taking action to adjust the capacity of resources and address the resource short falls.

**The approach has got the following merits;**
It takes into account the impact of the activity levels on the cost of resources. In this case, the budget setting will be more rational as it is based on demand side (i.e. consumption) rather than just the supply side data (Bellis, 1992).

Activity unit cost allows easy analysis of cost trends over time and interdepartmental comparisons. This enables easy performance assessment (Lucy, 1992).

ABC approach leads directly to total quality management by relating the cost of an activity to the level of output.

Efficiency of use of resources is enhanced because each service consumed will attract a consumption- related cost. Therefore the issue of common or overhead cost evaluation will also be handled (Morden, 1986).

The ABC approach has also got some short comings as discussed below;

According to Pandey, 1996; the cost of obtaining and interpreting the activity based information may be high.

A single cost driver mayn't be suitable to explain the behaviour of all costs in associated cost pools (Drury, 2000).

Many overheads may not relate to either volume or to complexity and diversity. This makes work cumbersome and complex.

Planning Programming Budgeting (PPB) approach

According to Fozzard, (2001); this type of budgeting is intended to overcome the difficult under the line item budgets.

It is an approach which involves the following steps;

a. Establishment of the overall organization objectives.
b. Identify the programme that helps to achieve the objectives.
c. Determine the costs and benefits.
d. Evaluate each programme on cost-benefit analysis.
e. Allocate resources accordingly.

This approach is most applicable in NGOs, CSOs and each programme has projects. However, the major drawback of this approach is that, it involves making subjective judgments.

Importance of budgeting

Budgets are key elements in an organization's control system. They are designed to assist management in allocation of authority and responsibility, making estimates and plans for the future. Budgets assist in the analysis of the variations between the estimated and actual performance and to develop a basis against which to evaluate the efficiency of operations. In this way, they assist management to take actions that are in line with the organization's goals and objectives (Drury, 1992).

The major importance’s of budgeting are briefly discussed below;

Planning

By their nature, budgets are essentially formalized plans of management's intended action and desired results. Planning is an essential function of managers to accomplish goals. Stoner (1996) argues that planning reduces uncertainty and provides direction to employees by determining the course of action in advance. By determining well in advance what should be done, what individuals/units are to assume responsibility and be held accountable, budgeting provides an orderly way to proceed in attaining organizational goals (Grace C.E, 1964).

Another key aspect of budgeting as a planning tool is that it encourages managers to anticipate problems before they arise, thus minimizing incidences of hasty decisions that are made on the spur of moment, based on expediency rather than reasoned judgment. In support
of this, Drury (1992) argues that budgets prevent management from relying on adhoc or uncoordinated planning that may be detrimental to the performance of the organization.

**Co-ordination**

A budget serves as a vehicle through which actions of the different parts of an organization can be brought together and reconciled into a common plan. As Drury (1992) points out, without any guidance, managers may each take their own decisions, believing that they are working in the best interests of the organization which mayn't be the case.

Therefore, through an effective budgetary process, the activities of the various departments are co-ordinated. This enhances unity and instills a strong sense of responsibility in each employee towards attainment of common goals.

**Control**

Once a comprehensive and co-ordinated plan of action has been formulated, it should be communicated to those responsible for implementation. In this respect, a budget assists managers in controlling the activities for which they are responsible. This is because a continuous comparison of the actual results with the budgeted amounts assists managers to ascertain which costs do not conform to the original plan of their attention for their attention.

Olive et al (1995) and Drury (1992) argue that an effective budget process enables management to operate a system of "Management by Exception". This is a situation where managers' attention and efforts are concentrated on significant deviations from the expected results. In this way, managers are likely to identify the causes of deviations and initiate appropriate control action to remedy the situation.

**Communication**

Communication is an essential element in organizations to keep all parts fully informed of the goals, objectives, policies and constraints to which the organization is expected to conform (Arora, 1995; Lucy, 1996). Budgets are an important channel for communicating such information that will enable managers in different parts of the organization to co-ordinate their activities more efficiently.

Horngren (1987) argues that; the budgeting process is a vehicle through which top management communicates goals or expectations to ensure proper co-ordination of the various activities in the organization.

**Performance Evaluation**

It is common practice to attempt to assess the performance of an individual employee/or a manager by a comparison of the budgeted and actual results for his area of responsibility in the organization. Amanyia (1999) argues that; the existence of a budget standard can act as a target to be aimed for. In this respect, a budget may be used to serve as a yard stick for evaluating employee performance (Pandey, 1996) and inform them of how well they are performing in meeting the previously set targets.

**Major constraints to budgeting**

Excessive emphasis on budgeting may result in attempts by lower level management and employees to manipulate and provide mis-leading results about costs and revenues (Briers et al, 1990).

The budget plans are based on estimates. Forecasting cannot be an exact science. Absolute accuracy therefore is not possible in forecasting and budgeting. The strength and weaknesses of budgeting systems depends to a large extent on the accuracy with which the estimates are made (Biggs, C and Benjamin, 1990).

Budgets are developed around existing organizational structures, which may be inappropriate for current conditions (Clive, 1995).

Dangers of rigidity. A good budget must be dynamic and continuously deal with changing business conditions. However, most budgets used in organizations exist as well-documented
plans which are rarely revised to suit changing conditions, hence rendering them meaningless (Drury, 2000).

However, despite the above limitations, what needs to be emphasized is that budgets are very important tools in the operations of any organization. Nevertheless, budgets if properly used are vital tools in planning, monitoring and controlling managerial and overall organizational performance.

**Liquidity**

**Liquidity defined**

According to the Chartered institute of Accountants, London, Liquidity refers the ability of a company to meet its short term obligations as they due fall. The liquidity position of a firm indicates whether it has sufficient funds to enable it pay its short term financial obligations (Dale, 1999).

According to Riddle (1995), Liquidity is the ability of the company to convert its short term assets into cash and thus enabling it to finance its Short term obligations. Short term, generally, signifies obligations which mature within one accounting year. Short term also reflects the operating cycle: buying, manufacturing, selling, and collecting.

According to Rosenberg (1983), a company that cannot pay its creditors on time and continue not to honor its obligations to the suppliers of credit, services and goods can be declared a sick company or bankrupt company.

Liquidity in terms of financial management is defined as the ability of a person, an organisation or a company to readily and easily obtain cash from its assets in order to meet its obligation or make purchases (Denise L. Evans, J D & O. Williams Evans, J D, 2007).

According to Kimberly Amadeo and T. A drain, 2009; Liquidity is defined as financial level of an organisation or a company to spend its planned and budgeted resources and then relate it to the level of investment to acquire its goals.

**Measures (Indicators) of liquidity**

According to Rosenberg, (1983); in any given institution, one can understand the liquidity position by analyzing the financial statements (balance sheet) of that institution. The following financial items are required to understand the liquidity position;

**Current Assets:** - these are assets that are reasonably expected to be converted into cash within one year in the normal course of the business. These include; cash, accounts receivable, inventory, prepaid expenses e.t.c. They are very important to businesses because they are assets that are used to finance day to day operations and pay outstanding debts and cover liabilities without having to sell fixed assets.

**Current Liabilities:** - these are company’s debts /or obligations that are due within one year. These include; accounts payable, accrued expenses, short term debts e.t.c. Essentially, these are bills that are due to creditors and suppliers within a short period of time.

Financial analysts and creditors often use different ratios to determine the liquidity positions of companies.

**Liquidity ratios**

Liquidity ratios attempt to measure a company's ability to pay off its short-term debt obligations. This is done by comparing a company's most liquid assets (or, those that can be easily converted to cash), with its short-term liabilities (Conroy, 2005).

In general, the greater the coverage of liquid assets to short-term liabilities the better, as it is a clear signal that a company can pay its debts that are coming due in the near future and still fund its ongoing operations. On the other hand, a company with a low coverage rate should rise a red flag for investors as it may be a sign that the company will have difficulty meeting running its operations, as well as meeting its obligations. (Bech, 1993 and Washam, 1989)

The most commonly used liquidity ratios by financial analysts are discussed here below;
Current ratio

This is the most popular financial ratio used to test a company's liquidity position (also referred to as its current or working capital position) by deriving the proportion of current assets available to cover current liabilities (John Wiley, 2004).

It is obtained by dividing current assets by current liabilities. The concept behind this ratio is to ascertain whether a company's short-term assets (cash, cash equivalents, marketable securities, receivables and inventory) are readily available to pay off its short-term liabilities (notes payable, current portion of term debt, payables, accrued expenses and taxes) (Riddle, 1995).

In theory, if the ratio is high, then the company is generally considered to have good short term financial strength and, if the ratio is low, then the company may have problems meeting its short term obligations (Charles, T, 2004).

Formula:

\[
\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}
\]

Limitations of current ratio as a measure of liquidity

However, though the current ratio is easy to understand and therefore used extensively in financial reporting, it can be misleading in both positive and negative sense i.e. a high current ratio mayn’t necessarily be good, and a low current ratio mayn’t not necessarily be bad as the ratio pre-supposes.

Contrary to popular perception, current ratio, as an indicator of liquidity, is flawed because it's conceptually based on the liquidation of all of a company's current assets to meet all of its current liabilities. In reality, this is not likely to occur. Investors have to look at a company as a going concern. It's the time it takes to convert a company's working capital assets into cash to pay its current obligations that is the key to its liquidity. In this respect, current ratio is regarded ‘mis-leading’ (John Wiley, 2004).

Therefore, when looking at the current ratio, it is important that a company's current assets can cover its current liabilities; however, investors should be aware that this is not the whole story on company liquidity. They should try to understand the types of current assets the company has and how quickly these can be converted into cash to meet current liabilities. This important perspective can be seen through the cash conversion cycle. By digging deeper into the current assets, investors (financial analysts) will gain a greater understanding of a company's true liquidity (Riddle, 1995).

Quick Asset ratio

According to Conroy, (2005); Quick asset ratio is the measure of a company’s liquidity and ability to meet its obligations. Quick asset ratio, often referred to as acid test ratio, is obtained by subtracting inventories from current assets and then dividing by current liabilities. The indicator is more conservative, than the current ratio because it excludes inventory and other current assets, which are more difficult to turn into cash. By excluding inventory, the quick ratio focuses on the more liquid assets of a company. Therefore, the higher the ratio, the more liquid the company is and, the lower the ratio, the less liquid the company is (Riddle, 1995).

Formula:

\[
\text{Quick Ratio} = \frac{\text{Cash & Equivalents + Short - term Investments + Accounts Receivable}}{\text{Current Liabilities}}
\]

However, some scholars of financial analysis for example, Washam, (1989) and Beck, (1993); states that when calculating quick ratio, we simply subtracting the inventory figure from the total current assets figure. The logic is that by excluding relatively less-liquid (harder to turn into cash) inventory, the remaining current assets are all of the more-liquid variety.
Generally, this is close to the truth, but not always because there are some current assets for example; restricted cash, prepaid expenses and deferred income taxes that do not pass the test of truly liquid assets. Thus, using the shortcut approach artificially overstates the company’s more liquid assets and inflates its quick ratio.

The basics and use of this ratio are similar to the current ratio in that it gives users an idea of the ability of a company to meet its short-term liabilities with its short-term assets. Another beneficial use is to compare the quick ratio with the current ratio. If the current ratio is significantly higher, it is a clear indication that the company's current assets are dependent on inventory.

**Limitations of the Quick Asset ratio as a measure of liquidity**

While considered more stringent than the current ratio, the quick ratio, because of its accounts receivable component, suffers from the same deficiencies as the current ratio - albeit somewhat less. In brief, both the quick and the current ratios take a liquidation of accounts receivable and inventory as the basis for measuring liquidity. While theoretically feasible, as a going concern a company must focus on the time it takes to convert its working capital assets to cash, that is the true measure of liquidity. Thus, if accounts receivable, as a component of the quick ratio, have, let's say, a conversion time of several months rather than several days, the "quickness" attribute of this ratio is questionable (John Wiley, 2004).

Investors need to be aware that the conventional wisdom regarding both the current and quick ratios as indicators of a company's liquidity can be misleading.

**Cash ratio**

The cash ratio is an indicator of a company's liquidity that further refines both the current and the quick ratio by measuring the amount of cash; cash equivalents or invested funds there are in current assets to cover current liabilities (Kimberley. A, 2009)

**Formula:**

\[
\text{Cash Ratio} = \frac{\text{Cash + Cash Equivalents + Invested Funds}}{\text{Current Liabilities}}
\]

**Limitations of the cash ratio as a measure of liquidity**

The cash ratio is the most stringent and conservative of the three short-term liquidity ratios (current, quick and cash). It only looks at the most liquid short-term assets of the company, which are those that can be most easily used to pay off current obligations. It also ignores inventory and receivables, as there are no assurances that these two accounts can be converted to cash in a timely matter to meet current liabilities (Charles. T, 2004)

However, very few companies will have enough cash and cash equivalents to fully cover current liabilities, which isn't necessarily a bad thing.

The cash ratio is seldom used in financial reporting or by analysts in the fundamental analysis of a company. It is not realistic for a company to purposefully maintain high levels of cash assets to cover current liabilities. The reason being that it's often seen as poor asset utilization for a company to hold large amounts of cash on its balance sheet, as this money could be returned to shareholders or used elsewhere to generate higher returns. While providing an interesting liquidity perspective, the usefulness of this ratio is limited (Conroy, 2005)

**Importance of liquidity in an organization**

Financial managers have a lot of important reasons for which their enterprises should strive to maintain a sufficient level of liquidity.

According to Kim (1998), such reasons may be classified into 3 main groups, namely:
Necessity of current expenses financing (transaction reasons)

Financial liquidity on sufficient level enables prompt fulfillment of the company’s day to day operational obligations. Note that, every company has got several stake holders who liaise with it on daily basis and therefore interested in knowing its liquidity position in order to transact with it effectively. For example, employees have interest in the liquidity to know whether the company can meet its employees’ related obligations; salaries, pension, provident fund e.t.c, suppliers of credit, services and goods will also check the liquidity of the company before providing such. Therefore, there is always a need for the company to maintain a sufficient degree of liquidity so as to meet such obligations and hence enhancing its reputation in the eyes of the stake holders (Kimberly. A, 2009)

Necessity of financing future investment opportunities (speculative reasons)

The level of liquidity that exceeds the daily transaction demand provides the organization with an option to take up any un expected profitable future investment opportunities that may arise (Washam, 1989; Beck, 1993). Such opportunities may include investment in financial securities such bonds, treasury bills e.t.c , especially when the interest rates are high. This may help increase the company’s level of profits and liquidity.

Necessity of financing future uncertainties (precautionary reasons)

Companies need sufficient liquidity (real balances) for use in contingencies. As receipts and payments cannot be perfectly foreseen, a company should hold sufficient balances to minimize the potential loss that may arise from a contingency.

Relationship between budgeting and liquidity

To ensure liquidity, organizations need to optimally and rationally allocate funds within the organization. However, proper allocation of resources requires effective budgeting. This implies that effective budgeting leads to efficient allocation of resources, which in turn leads enhanced liquidity of an organization (Saleemi, 2001)

Planning is one of the most important tools of management. For an organization to be successful, managers need to plan. By their nature, budgets are essentially formalized plans of management’s intended actions and desired results. This implies that poorly prepared budgets can spur managers into taking wrong actions which may be detrimental to the liquidity position of the organization (Stoner, 1996).

According to Marie (2001), monitoring and performance are positively related, but also budgeting and monitoring are synonymous. This implies that effective budgeting leads to effective financial monitoring which ultimately leads enhanced liquidity.

Conclusion

In the fore gone analysis attempts have been done to define budgeting according to the different authors. It is also shown that, though budgets are important tools in directing attention towards organizational goals and objectives, they may not succeed if an effective budget process (system) is not in place. In this respect, the major stages of budgeting have been highlighted plus the necessary conditions of an effective budget process. From the review it is also shown that the choice of the budgeting technique used may have a far reaching financial implication on the organization. Therefore the various approaches to budgeting have been highlighted plus their implications.

Finally, the existing literature on the definitions and measures (indicators) of liquidity plus their limitations has been presented. Attempts have also been done to bring out the possible relationship between budgeting and liquidity.
Methodology

Introduction

This chapter presents methods that were used to gather data upon which presentation and analysis was based. It clearly outlines the research designs that were used, study population, sampling techniques, sources and data collection methods and data processing and analysis techniques.

Research design

Descriptive and Associational research designs were used in the study;

Descriptive research design: - this simply portrays a profile of an event of a situation/or phenomena. It was used to obtain information concerning the current status of the phenomena and hence describing the nature of the phenomena in respect to the variables under study.

Associational research design was also used to help in establishing whether there’s a relationship between the dependent and independent variables.

Study population

The sample population comprised of 45 respondents consisting of the Executive Director, Six (6) Heads of department, Twelve (12) Project Managers and Administrators, Six (10) Project Assistants, and Sixteen (16) subordinate staff.

Sampling

Sampling design and procedure

Purposive sampling was used in selecting those respondents who were considered to be key informants in the study because of the role they play in the budgeting process. It was used in selecting respondents such as top administrators, heads of departments and project Managers

Simple random sampling was also used to select the respondents from a list of subordinates. Here, a subset of subordinates was chosen randomly, with each subordinate having the same chances of being chosen as a respondent.

Sample size

This is represented in the table below;

<table>
<thead>
<tr>
<th>Category</th>
<th>Targeted Number of respondents</th>
<th>Actual Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Heads of Department</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Project Managers</td>
<td>12</td>
<td>10</td>
</tr>
<tr>
<td>Project Assistants</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td>Subordinate staff</td>
<td>16</td>
<td>16</td>
</tr>
<tr>
<td>Total</td>
<td>45</td>
<td>38</td>
</tr>
</tbody>
</table>

Sources of data

Both primary and secondary data were used to enable the collection of proper, relevant and comprehensive data.

Primary data

This is the type of data collected for the first time. Such information was obtained through use of questionnaires directly from the employees of Infectious Diseases Institute
Secondary data

This type of data already existed and was available to be used by the researcher. It was obtained through reviewing the existing literature on budgeting and Liquidity from various textbooks, research reports, internet, journals and financial records of Infectious Diseases Institute.

Data collection methods and instruments

Questionnaires

This is a written or printed form of questions used in gathering or extracting specific information from respondents. Both structured and semi-structured questions were used in this study. To increase response and compliance, the questionnaires were simply worded, relatively short but comprehensive.

Interviews

Interviews were also conducted in order to get detailed data from the top administrators and a few of the subordinate staff with the help of interview guides.

Data processing and Analysis

Data processing in this study involved preparation of raw data for analysis by editing, coding and classification of data. Specific attention was put on only completed questionnaires by selected respondents in this study.

The processed data was then analyzed using SPSS technique, in order to measure the significant relationship between the two variables.

Data presentation, interpretation and discussion

Introduction

This chapter presents findings of the study in reference to the research objectives and questions that were presented in chapter one, plus their interpretations and discussion. Findings were based on a total of 38 respondents that were approached. Though 45 respondents were initially targeted, the researcher registered some cases of non-compliance.

In this chapter, attempt was also made to relate the findings to the existing literature, so as to establish points of agreement and disagreement. This chapter however, begins with a brief look at the sample characteristics that were considered relevant for the study.

Sample-characteristics

Gender of respondents

Reflecting the gender of respondents, the majority were male as shown in the table below;

<table>
<thead>
<tr>
<th>Category of respondents</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>frequency</td>
<td>percentage</td>
</tr>
<tr>
<td>Executive Director</td>
<td>1</td>
<td>100%</td>
</tr>
<tr>
<td>Heads of department</td>
<td>3</td>
<td>75%</td>
</tr>
<tr>
<td>Project Managers</td>
<td>7</td>
<td>70%</td>
</tr>
</tbody>
</table>

Source: primary data

Level of Education

<table>
<thead>
<tr>
<th>Category of Qualification</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Gender of respondents

Table 4: level of education
As shown in the table above, the Executive director, all Departmental Heads and project managers hold a minimum qualification of a Masters degree. The majority of the project assistants and subordinate staff hold degrees in their respective fields and only 2 represented by 12% hold diplomas.

**Work experience of the respondents**

Table 5: work experience of the respondents

<table>
<thead>
<tr>
<th>Category</th>
<th>Less than 2 years</th>
<th>2-5 years</th>
<th>6-10 years</th>
<th>More than 10 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive Director</td>
<td>1(100%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heads of department</td>
<td>1(15%)</td>
<td>3(75%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Managers</td>
<td>4(40%)</td>
<td>6(60%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Assistants</td>
<td>3(43%)</td>
<td>4(57%)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subordinate staff</td>
<td>5(31%)</td>
<td>7(44%)</td>
<td>4(25%)</td>
<td></td>
</tr>
</tbody>
</table>

Source: primary data

The table above indicates that the majority of top senior management had served the institution for more than 2 years. On the other hand, the majority of the project Managers and assistants plus subordinate staff had served for a period of more than 2 years. Overall, only 14 out of the 38 respondents, representing 37% had served for a period of less than 2 years. Basing on the assumption that the longer the length of the period, the more knowledgeable one becomes about something, the respondents were therefore considered knowledgeable in the major issues concerning budgeting and the liquidity levels within the institute. This shows that data obtained from an overwhelming majority of respondents was elicited from an informed point of view. The data can therefore be regarded as reliable.

**Departmental representation of respondents**

Questionnaires were distributed in various departments for both categories of respondents. They were represented as indicated in table 6 below; 39

<table>
<thead>
<tr>
<th>Department/section</th>
<th>Heads of department</th>
<th>Project Managers</th>
<th>Other Staff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director’s Office</td>
<td>1</td>
<td>-</td>
<td>6</td>
<td>1(3%)</td>
</tr>
<tr>
<td>Finance and Administration</td>
<td>1</td>
<td>-</td>
<td>6</td>
<td>7(18%)</td>
</tr>
<tr>
<td>Strategic Planning &amp;</td>
<td>1</td>
<td>-</td>
<td>5</td>
<td>6(16%)</td>
</tr>
<tr>
<td>Development</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outreach Department</td>
<td>1</td>
<td>5</td>
<td>4</td>
<td>10(26%)</td>
</tr>
<tr>
<td>Research Department</td>
<td>-</td>
<td>3</td>
<td>2</td>
<td>5(13%)</td>
</tr>
<tr>
<td>Training Department</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>5(13%)</td>
</tr>
<tr>
<td>Prevention, Care &amp; Treatment (PCT)</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>3(11%)</td>
</tr>
</tbody>
</table>
Findings on the appropriateness of budgeting process (system) conducted in Infectious Diseases Institute

As already noted, a sound and effective budgeting system is based upon certain prerequisites/conditions. Failure to observe and appreciate these essentials will render the budgeting exercise ineffective (Arora, 1995). It was against this background that one of the objectives was to evaluate the budgeting process (system) conducted in the institution. In pursuing the above objective, 3 major conditions were considered; that is, Employee participation in the budgeting process, Communication of the details of the budget activities, Continuous budget monitoring and review.

Findings to each of the above conditions are presented in the proceeding discussion

Employee participation in the budgeting process

Any control system, including budgetary control should be accepted by the people who operate it; otherwise they tend to obstruct the flow of information hence making the system ineffective (Pandey, 1994; Arora, 1995).

It was in light of this that the respondents were asked to indicate whether they were involved in budget formulation. The responses were as indicated in table 7 below;

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>25</td>
<td>66%</td>
</tr>
<tr>
<td>No</td>
<td>10</td>
<td>26%</td>
</tr>
<tr>
<td>No response</td>
<td>2</td>
<td>5%</td>
</tr>
<tr>
<td>Spoilt</td>
<td>1</td>
<td>3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

From the table above, out of the 38 respondents who completed the questionnaires, 25(66%) reported their participation in the budgetary process.

Asked in what aspects they were involved, the responses were as presented in table 8 below;

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide initial estimates</td>
<td>11</td>
<td>44%</td>
</tr>
<tr>
<td>List major activities</td>
<td>8</td>
<td>32%</td>
</tr>
<tr>
<td>Consolidate dept. budgets.</td>
<td>6</td>
<td>24%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Though a relatively higher percentage claimed to have some form of input into the budgeting process 25(68%), a further investigation into the matter revealed that, their involvement in the overall budget process was limited to provision of initial estimates as required by the heads of departments and project Managers.

In a discussion with Top management about whether subordinate staff should be involved in budget preparation, one top official had this to say;

“Ahhhhhh…not necessary, after all most of them are ignorant of what budgets are for. Additionally, a lot of time is likely to be wasted on unnecessary consultations over issues which they are less informed about”.

---

**Table 7:** Employee participation in the budget process

**Table 8:** Nature of involvement in the budget setting
Budgeting technique used within the institution

During the survey, the respondents were asked to indicate the method they use to arrive at the final budget estimates. The responses were as indicated in table 9 below;

<table>
<thead>
<tr>
<th>Technique</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incremental</td>
<td>18</td>
<td>47%</td>
</tr>
<tr>
<td>Zero based</td>
<td>5</td>
<td>13%</td>
</tr>
<tr>
<td>Activity based</td>
<td>11</td>
<td>29%</td>
</tr>
<tr>
<td>Others</td>
<td>4</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Source: primary data.*

From table 9 above, out of 38 respondents who responded to this question, 18(47%) indicated the use of incremental budgeting. This is where the previous year's estimates are used as a basis for preparing new estimates. 5(13%) of the respondents indicated the use of zero based budgeting. Only 11(29%) reported the use of the activity based budgeting. However, some of the respondents were not sure of the budgeting technique in use.

In a further discussion with some of the top managers, as to why the incremental approach was frequently used because it seemed to receive more responses, one top official made this remark;

"*normally, it is like what we are already spending as reflected in the previous budget figures is accepted as necessary. During the budget meetings, we only seem to justify increases sought above the previous year's estimates*."

Communication of details of the budgeting activities

During budget preparation, the budget committee must ensure that all budget guidelines and other relevant information are made aware to those responsible for preparing budgets at all levels to avoid conflicting and incompatible departmental budget demands.

In this regard, the respondents were asked to state whether communication to this effect was adequate. The responses are indicated in the table below;

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>15</td>
<td>39%</td>
</tr>
<tr>
<td>No</td>
<td>18</td>
<td>48%</td>
</tr>
<tr>
<td>Not sure</td>
<td>5</td>
<td>13%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>38</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Source: primary data.*

Out of the 38 respondents, 15(39%) reported that there is adequate communication of the budgeting details and guidelines at all levels, 18(48%) responded negatively while 5(13%) were not sure.

Though there is some degree of communication as evidenced by 39% of the respondents, a further probe into the matter revealed that they take long to communicate and most of the times, only a few people are communicated to. Since communication is important in budget co-ordination, poor communication may result into making incomplete budgets (Arora, 1995)

Budget monitoring and review

Budget monitoring and review requires continuous and timely flow of information for comparison of actual results against the targeted performance. Where budgets only remain in print, they are less likely to achieve their intended objectives.
In this regard, the respondents were asked to state whether the budget committee reviewed the performance of the budget through continuous monitoring. The responses were as indicated in table 11 below;

Table 11: Monitoring the performance of the budget.

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>25</td>
<td>66%</td>
</tr>
<tr>
<td>No</td>
<td>12</td>
<td>32%</td>
</tr>
<tr>
<td>Not sure</td>
<td>1</td>
<td>2%</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: primary data.*

Table 11 above shows that, 25(66%) of the respondents reported that the budget committee reviewed the performance of the budget through monitoring of the activities carried out. 12(32%) responded negatively while only one respondent was not sure.

It is further important that departmental heads and subordinates that are actually responsible for budget implementation are continuously given a feedback regarding actual performance. Timely feedback is important to ensure that corrective action is taken before things go out of hand. Undue delays restrict the flow of information, making monitoring and control ineffective (Belkaui, 1990). Frequent feedback has a motivational effect (Lucey, 1996).

In this regard, the respondents were asked to indicate how often they received a feedback on the actual performance as against the budgeted. The responses were as indicated in the table 12 below;

Table 12: Frequency of reporting

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly</td>
<td>5</td>
<td>13%</td>
</tr>
<tr>
<td>Quarterly</td>
<td>11</td>
<td>29%</td>
</tr>
<tr>
<td>Semi-annually</td>
<td>8</td>
<td>21%</td>
</tr>
<tr>
<td>Annually</td>
<td>14</td>
<td>37%</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: primary data.*

The responses above indicated that, only 13% of the respondents received the necessary feedback at least on a monthly basis, 11(29%) receive feedback after 3 months, 8(21%) after 6 months and 14(37%) after a year. From this, it can be seen that over 58% of the respondents receive feedback utmost after a period of 6 months. This timing is relatively too long for effective and appropriate corrective action.

Reporting of deviations against the budgeted results alone is not worth an effort unless corrective action is taken to ensure that such inefficiencies do not occur in future (Booth, 1990). In this vein, respondents were asked to indicate whether management took any corrective actions in case of any divergences from the budget estimates. The responses were as indicated in table 13 below;

Table 13: Corrective actions taken if adverse variances are reported.

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>24</td>
<td>63%</td>
</tr>
<tr>
<td>No</td>
<td>12</td>
<td>32%</td>
</tr>
<tr>
<td>Not sure</td>
<td>2</td>
<td>5%</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: primary data*
24 respondents, representing 63% indicated that corrective actions are taken in case of adverse deviation from the budget estimates. However, a further probe into the nature of actions taken indicated that, where as there is continuous revision of the budgets; it is done without a thorough investigation into the possible causes of the deviations. This greatly hampers the usefulness of budgets as control tools.

During the survey, respondents were further asked to comment on the adequacy of budget monitoring and control in the institution. The following responses were received;

**Table 14**: perceived extent of budget monitoring and control

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inadequate</td>
<td>19</td>
<td>50%</td>
</tr>
<tr>
<td>Adequate</td>
<td>11</td>
<td>29%</td>
</tr>
<tr>
<td>Excellent</td>
<td>8</td>
<td>21%</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: primary data*

The responses in table 14 above show that budget monitoring and control was perceived as inadequate by 50% of the respondents. Only 29% felt it was adequate. 21% of the respondents indicated that budget monitoring was excellent

**Findings on the level and trend of liquidity**

During the study, the respondents were asked to rate the current level of liquidity in the institution. The responses were as indicated in the table 15 below;

**Table 15**: level of liquidity in the Institution

<table>
<thead>
<tr>
<th>Value Label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High</td>
<td>1</td>
<td>3%</td>
</tr>
<tr>
<td>High</td>
<td>7</td>
<td>18%</td>
</tr>
<tr>
<td>Moderate</td>
<td>10</td>
<td>26%</td>
</tr>
<tr>
<td>Low</td>
<td>18</td>
<td>47%</td>
</tr>
<tr>
<td>Very Low</td>
<td>2</td>
<td>6%</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: primary data*

From the table above, out of the 38 respondents, only 1 (3%) rated the level of liquidity as very high, 7 (18%) rated it as High, while 19 (26%) rated it as moderate. A bigger number of respondents rated it as low, that is; 18 (47%) and 2 (6%) as very low.

**Trend of liquidity levels in the Institution**

In this regard, the respondents were asked to state whether they had noticed any changes in the liquidity levels of the institution over the past 4 years. The responses were as indicated in table 16 below;

**Table 16**: Changes in liquidity levels

<table>
<thead>
<tr>
<th>Value label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>36</td>
<td>95%</td>
</tr>
<tr>
<td>No</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Not sure</td>
<td>2</td>
<td>5%</td>
</tr>
<tr>
<td>Total</td>
<td>38</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: primary data*

Table 16 above shows that, 36 (95%) of the respondents reported that they had noticed changes in the liquidity levels of the institution over the past 4 years. Only 2 (5%) of the respondents were not sure and none of them responded negatively.
During the survey, respondents were requested to state the nature of trend. The following responses were received:

**Table 17: Trend of liquidity levels in the institution**

<table>
<thead>
<tr>
<th>Value Label</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increasing</td>
<td>7</td>
<td>18%</td>
</tr>
<tr>
<td>Decreasing</td>
<td>29</td>
<td>76%</td>
</tr>
<tr>
<td>Not sure</td>
<td>2</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>38</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Source: primary data*

From table 17 above, out of the 38 respondents who responded to this question, 29 (76%) reported that the liquidity levels have been decreasing over years and only 7 (18%) reported that the levels have been increasing over the 4 year period.

In this regard, the respondents were further requested to give responses to a number of items that represented possible causes of the declining trend in the liquidity levels of the institution over the past 4 years. The items were scored on a 5-point likert scale with responses ranging from strongly agree to strongly disagree. The perception of the respondents is indicated in table 18 below:

**Table 18: possible causes of declining trend in liquidity levels**

<table>
<thead>
<tr>
<th>Items</th>
<th>Rating (N = 29)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SA</td>
</tr>
<tr>
<td>Inconsistency in following the budget estimates</td>
<td>6</td>
</tr>
<tr>
<td>Insufficient liquidity monitoring and Management</td>
<td>5</td>
</tr>
<tr>
<td>Limited Donor funding</td>
<td>13</td>
</tr>
<tr>
<td>Average</td>
<td>8</td>
</tr>
</tbody>
</table>

*Abbreviations: f– frequency, %- percentage, SA – Strongly Agree, A- Agree, NS- Not Sure, D- Disagree, SD- Strongly Disagree*

*Source: primary data*

Table 18 summarizes the way respondents reported on the possible causes of the declining liquidity levels in Infectious Diseases Institute. On average, over 27.7% /or 32.2% of the respondents agreed /or strongly agreed with the listed items as causes of trend, though the magnitude varies from one alternative to another. Results show that inconsistency in following the budget estimates and limited donor funding, are the most plausible since each factor has respondents above the average to justify the fact.

Establishing the relationship between budgeting and the liquidity level

**Table: 19 Correlation between budgeting and the liquidity levels**

<table>
<thead>
<tr>
<th>Budgeting</th>
<th>Budgeting</th>
<th>Liquidity level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1.000</td>
<td>.570</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.002</td>
<td>.002</td>
</tr>
<tr>
<td>N</td>
<td>38</td>
<td>38</td>
</tr>
<tr>
<td>Liquidity level</td>
<td>.570</td>
<td>1.000</td>
</tr>
<tr>
<td>Pearson Correlation</td>
<td>.002</td>
<td>.002</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td>N</td>
<td>37</td>
<td>37</td>
</tr>
</tbody>
</table>
**Correlation is significant at the 0.01 level (2-tailed).**

From the table 19 above, results indicated that there is a positive and significant relationship between budgeting and liquidity level at Pearson correlation coefficient $r = 0.570**$. This implies that, over 32% of the variations in the liquidity levels between 2010 and 2014 were caused by budgeting. The results therefore show consistency with the observations made by such scholars as Gutsi (2002), Johnson (1982), Novik (1973) and Miller (1982). Each of these scholars has noted that budgeting is central in influencing the level of liquidity in an organization.

Similar views were given by some of the selected top administrators. When asked whether the declining level of liquidity in the institution could be attributed to the way budgeting is conducted, one top official responded as follows;

“there is no way an organization can operate efficiently without following a budget. We use budgets to identify our cash requirements so as to optimize our sources of funding or minimize on our expenses if possible. So, any form of financial achievement has to be as a result of the budget we follow. To assume otherwise is to be unrealistic…”

It must be noted that although budgeting was found to be significantly accountable for the decline in the variations of liquidity levels at Infectious Diseases Institute for the last 4 years, it was not the only factor. If it was, the coefficient of correlation would be perfect (that is $r = 1.00$). However, results show that "$r" was less than one (that is, $r = 0.570$). This shows that other factors were also at play.

This was supported by some of the top administrators that the researcher interacted with. Asked whether budgeting was the factor causing the decline in the liquidity level, one of them responded negatively attributing the cause to other factors. He had this to say;

“The budgeting is okay, but the problem is inflation. At times, the price of the budgeted inputs turn out to be higher than those that were prevailing at the time of budgeting, you are forced to

Spend more than the budgeted”

In general therefore, although budgeting was greatly found to be accountable for the decline in liquidity levels for the last 4 years, further investigations show that it was not the only factor in the whole game.

**Summary of findings, conclusions and recommendations**

**Introduction**

Having presented, analyzed and interpreted the research findings, this chapter presents a summary of the major research findings, conclusions drawn from the study, recommendations and suggestions for further research.

**Summary of the major findings**

**Findings on the appropriateness of the budgeting process (system) conducted**

The findings indicated that the budgeting process was not appropriate. This was because some of the essential practices that ought to be observed during budget formulation were found to be highly undermined. For example;

The findings showed that, though a good number of subordinate staff reported some level of involvement in budget formulation, their participation was negligible since it was limited to provision of initial estimates to the departmental heads rather than contribution of ideas to the making of the budgets. The results also indicated that there was poor communication of the budgeting activities at all levels of the institution.

Findings also revealed that, there was apparently poor information feedback regarding deviations from the budget estimates. Reports showing actual results against the budgets take too long a time for any immediate and effective corrective action. Even when deviations are reported, little effort is taken to investigate the causes of such deviations.
Despite the changes that necessitate organizations to adopt new ideas and better ways of budget management, results indicated that the institution is still preoccupied with the traditional incremental budgeting approach, and the overall budgetary process is regarded as another of the routine tasks to be performed.

**Findings on the level and trend of liquidity**

The findings indicated that the current level of liquidity is low and therefore not sufficient to run the operations on the institution effectively and efficiently. It is also clearly indicates that, the liquidity levels have been decreasing over the past 4 years. Therefore, if such a trend persists, it is likely to impact greatly on the future operations of the Institution.

**Findings on the relationship between budgeting and liquidity**

From the analysis made in table 19, the results indicated that there existed a significant positive relationship between budgeting and liquidity levels ($r = 0.570$). This implies that, an appropriate and effective budgeting system will lead to higher levels of liquidity. On the other hand, a poor and inappropriate budgeting system will result in a tremendous decline in liquidity levels. This therefore seals the relevance of budgeting in enhancing the liquidity levels and thus, care should always be taken in choosing the most appropriate and effective budgeting system.

**Conclusions**

From the results presented and discussed in the previous chapter, the following conclusions can be reached.

**In response to research question one:** - the results clearly show that the level of employee participation in the budget setting process is very minimal, communication of the budgeting activities at all levels of the institution is poor and the level of information feedback regarding deviations from the budget estimates is inadequate. In light of this, it can be concluded that the budgeting process was not appropriate.

Results further reveal that the traditional practice of using historical cost information to estimate budget requirements is prevalent. Managers only have to justify increases above the previous budgets. Though this approach has been supported on its case of use and the relatively low level of detail expected from users, it has resulted into inefficiencies being continued year after year, since it merely involves extrapolation of the past. This has greatly constrained the appropriateness and effectiveness of the budgeting system within the institution.

However, despite top management's awareness of the problems associated with this technique of budgeting, no efforts have been made to adopt better and more efficient techniques.

**In response to research question two:** - the results indicated that the level of liquidity is low and since liquidity forms the working capital of any organization, efforts should be taken by management to curb this trend in order to rescue the future operations of the Institution

**Regarding research question three:** - findings indicated that there exists a significant positive relationship between budgeting and the liquidity performance of the institution. Given the weaknesses in the budgeting system of the institution, it is concluded that budgeting was therefore held accountable for the declining levels in liquidity between 2010 and 2014. However, an effort made towards rectifying the weaknesses in the budgeting system used would highly improve the liquidity performance of Infectious Diseases Institute.

**Recommendations**

The following recommendations are made basing on the conclusions reached in the previous section.

**In view of the results obtained in response to research questions, it is recommended that;**
The budgeting committee should encourage collective efforts, co-operation and active participation of all employees all through the budgeting process. This will help tap different ideas from all members of the institution, motivate them work more effectively, and thereby improving the budgeting process.

Proper and adequate communication of the budgeting activities should be made at all levels to allow easy flow of information between departments. The final budgets should not necessarily be what top administrators think, but should also consider what other subordinates believe is feasible. This should be aimed at improving budget acceptance as well as commitment to the overall organizational goals and objectives.

There is need to improve the information feedback on how the actual results are progressing compared with the budgeted. Budget monitoring and reporting should therefore be timely, clear and comprehensive. Significant variances should be brought to the attention of management to take control before any adverse results get much worse.

A new approach of budgeting which encourages improvement by eliminating inefficiencies and wasteful expenditure should be adopted. A case in point for example, is the Activity based budgeting (ABB). In contrast to the incremental approach, ABB builds budgets on the basis of activities to be carried out by each cost centre rather than an extrapolation from historical inputs.

Areas for further research

Findings show that budgeting is not the only factor responsible for the declining liquidity levels in the institution. Therefore, a comprehensive study is needed to establish other factors causing such poor liquidity levels at Infectious Diseases Institute / or other related institutions.

The study was basically centered on the effect of budgeting on the liquidity performance in Infectious Diseases Institute. A similar study can be conducted on how budgetary implementation and control affects such performance.

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Exploration of Customers’ Expectation of, and Perception of the Service they Receive from Mobile Phone Providers

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Abstract

PURPOSE- The purpose of this paper is to explore customers’ expectation of and perception of the service they receive from mobile phone providers and to identify service quality gaps as experienced by customers in the mobile telecommunications industry in Ireland.

Design/Methodology/Approach- The nine modified dimensions of SERVQUAL, namely tangibles, reliability, responsiveness, assurance, empathy, network aspect, convenience, loyalty and pricing were used in this research work to measure customers’ expectations and perceptions from mobile providers. This was done by using the entire households in Esker woods, Lucan, County Dublin, Ireland, meaning that there was no sampling but rather the whole population of 128 households served as respondents. The researcher therefore employed census method.

Findings- The overall service quality as perceived by customers in Ireland was above average with 56.09% of the respondents while 22.67% were dissatisfied leaving 21.24% of respondents undecided. This was based on the nine SERVQUAL dimensions. The research findings revealed that though more than half of the respondents were satisfied with services they received; it’s very interesting to note that most of these respondents were satisfied with services received under six dimensions. These were tangibles, reliability, responsiveness, assurance, empathy and convenience. On the other hand, a very high percentage of respondents judging from individual dimensions of loyalty, network aspect and pricing were dissatisfied with the perceived service quality. The highest service quality gap was reported with the added dimension of loyalty, network aspect and pricing while the lowest service quality gap was reported with tangibles.

Practical Implications- Data representing customers expectations and perceptions with mobile providers in delivering quality have been used to identify in terms of quality gaps areas that need improvement. Mobile phone providers in Ireland should focus on providing superior network services and affordable prices to customers.

Originality/Value- It should be noted that since most quality features in the SERVQUAL scale have relationship with customer handling, the researcher has incorporated and investigated further the added four dimensions of network aspect, service convenience, loyalty and pricing for their contribution to the overall service quality of mobile providers.

Keywords- Service quality, customer satisfaction, customer loyalty, SERVQUAL, Mobile phone providers in Ireland

Introduction

Background of the Research

As mobility becomes an increasing prevalent force shaping the lifestyles of consumers, the market for the technologies and devices accompanying this trend also improves at fast pace (Hande, Kimiloglu et al., 2010). Any product that offers individuals the ability to work, communicate or entertain themselves in a location-free manner captures immediate acceptance and diffuses rapidly into consumers’ lives. Mobile phones are one of the most conspicuous examples of such innovations achieving a large penetration rate in many markets (Hande, Kimiloglu et al., 2010). The speed and magnitude of mobile phone adoption is a
recent worldwide phenomenon akin to that of the television in the mid-20th century (Katz and Aakhus, 2002; Rice and Katz, 2003).

Prior to 1990, the mobile phone was a rare and expensive technology with an adoption level too low for the charts to even register. During the 1990s, mobile phone adoption exploded with subscriptions reaching a half billion worldwide and well into the billions in the following decade. In fact those who do not use mobile phones are now in the minority in many countries (International Telecommunication Union, 2005). Telephones, especially mobile telephones provide the basic connection for social interaction between individuals and the linkages both within and among nations. Global interaction is made easier (Haque, A., Khatibi, A. and Raqib, A 2007). Deutsch (1953) mentioned this as “a web of nations”. The mobile telecommunication system has become the electronic infrastructure for transmitting all kinds of information, for instance, voice, data, graphics, video, music (Beard and Hartmann 1999).

In a competitive market, service providers are expected to compete on both price and quality of service and it is equally necessary for the service providers to meet the customers’ requirements and expectations in price and service quality (Melody, W.H. 2001). According to RNCOS (2008), increased demand for mobile entertainment and technically advanced applications for business have infused growth in the mobile industry worldwide. Intense competition among mobile phone companies triggering significant price reductions also contributed to the worldwide boom in the industry. Kollmann, (2000) equally highlighted a link between price and customer perception.

Mobile telecommunications industry in Ireland has not seen much research in the sector though the outlook is positive hence the researcher’s undiluted interest in the sector. It is pertinent to note that data gathered from Mintel report 2003 estimates the expenditure by consumers on mobile phone services in 2002 was €1,546 million in Ireland. Expenditure on mobile services represents 1.4% of GDP in Ireland. The overall telecommunications sector in Ireland accounts for an estimated 3% of GDP or €3.3 billion per annum. Mintel estimates that there were 3.08 million mobile phone subscribers in Ireland by the end of 2002. This puts the penetration level at 79%.

Given the financial and other constraints, it is essential that expectations are properly understood and measured from the customer’s perspective in order to identify any gap(s) in service quality. Conceptually, the service quality process can be examined in terms of gap between expectations and perceptions on the part of management, employees and customers (Ghobadian et al., 1994). This information then assist the decision-makers in identifying most effective ways of closing service quality gaps and of prioritizing which gap(s) to focus-a critical decision given scarce resources. Among the tools of measuring service quality that focus external perspective, SERVQUAL developed by Parasuraman et al. (1988), seems to be useful and widely adopted by researchers (Hoffman and Bateson, 2001).

In this research work, the researcher will use SERVQUAL dimensions to measure service quality gap.

Today, there are five main companies known as service providers in Ireland, namely: Vodafone; Meteor; 3-Network; E-Mobile; and Tesco Mobile (ComReg: Quarterly Report 2015). Telefonica-O2 was acquired by 3-network in 2013. Service quality is essential and important for a mobile telecommunication service provider company to ensure the quality service for establishing and maintaining loyal and profitable customer (Leinsen and Vance 2001).

Interest in the Subject and Suitability of Researcher

The researcher’s childhood passion for telecommunication grows to infinity. His determination of linking the world in one global village through telecommunication is deep-rooted on the fact that in the world of today the dependence on mobile telecommunications is ever growing and continues to evolve. Arguably a mobile phone has become an essential consumer durable and is no longer perceived as a luxury item. One other major reason for his
unallayed interest in this sector is that the researcher due to the ever increasing challenges faced by customers, he wants to make a critical investigation to find appropriate measures to tackle these challenges. The researcher worked in an international telecommunications company and most of these challenges mentioned above are encountered in his work place hence his frantic effort to ameliorate the problems faced by customers.

The views of customers concerning mobile network services include many specific complaints, about the obscurity of the tariffs and their high level, but there are also widespread concerns about the poor quality of service (QoS), difficulties in termination of contracts, failure to provide contracted services-sometimes with long outages, inaccuracy in billing, the lack of customer care and, for businesses, the absence of service level agreements (SLA’s) (Ewan, Sutherland, 2007).

By comparison with the fixed telephony network, the performance of cellular networks is less certain and the quality poorer. Indeed, anecdotal evidence suggests that the quality of mobile calls helped to prepare customers for voice over internet protocol VoIP (Ewan, Sutherland 2007). According to him, there is no shortage of evidence of complaints about the poor quality of service provided by mobile operators, indeed a pattern of disappointment seems commonplace and in some cases the networks are not being built to deliver a high level of quality for all the users all of the time. Disappointment also reflects incorrect perceptions caused by advertising that goes beyond what can or often what will be realised by the network engineers and by the support systems. Operators face significant challenges in aligning engineering realities with marketing vision and customer expectations (Ewan, Sutherland. 2007).

It is as a result of the above problems that many countries have developed “horizontal” legislation to protect consumers in all markets, supported by agencies and consumer groups, magazines and television programmes, supplemented by special regulations for telecommunications. (Ewan, Sutherland. 2007). In other countries there is specific consumer protection legislation for telecommunications. In Ireland where this research focuses, there are AskComReg.ie and Callcosts.ie, both provided by the Commission for Communications Regulation (ComReg) to supplement its own more formal website.

In the long run, the most important single factor affecting a business unit’s performance is the quality of its products and services, relative to those of competitors. A quality edge according to Zeithaml, V.A., Parasuraman, A. and Berry, L.L (1990) boosts performance in the short run through increased profits and in the long term, superior and/or improving relative service quality is the more effective way for a business to grow.

Although the Irish economy remains in recession and this is having a devastating impact in terms of employment, consumer spending and disposable income levels, the economic outlook remains bright (Mintel report 2010). According to some observers the Irish economy has the potential to grow in the short term; the Economic and Social Research Institute (ESRI) estimates GDP growth for 2010 of 0.25% and of 2.75% in 2011.

Customers are always at the epicentre of most business strategies and the need to add extra value to every cent spent by a customer cannot be overemphasised. Considering the impact of the recent global financial crisis and the associated increased competition in mobile phone industry, this research is being carried out to explore customer’s expectation and perception of the service they receive from mobile phone providers in Ireland.

The research was also conducted to answer the research question: Why is there gap in service quality and what are those factors that affect customers’ perceived service quality?

The objectives of the research are:

i. To explore the differences between expected and perceived service as experienced by users and to identify the service quality gaps using the modified SERVQUAL dimensions

ii. To critically examine the effect of customer satisfaction on loyalty and retention

iii. To examine the relationship between customer’s cultural value orientations on their perceived service quality.
Structure of the Research

This research paper will have six chapters with each chapter addressing a main issue in the research.

Chapter one will provide a general introduction to the research. It will also identify the research problem and objectives. This chapter will equally highlight the general background of the research in the context of the perceived service quality in the mobile telephony.

Chapter two will focus on literature reviews highlighting three areas: customer satisfaction loyalty and retention; customer behaviour intentions and cultural differences and an overview of mobile telecommunications industry in Ireland.

Chapter three will look at the research methods & methodology and ethical issues.

In Chapter four, the research findings will be analysed and interpreted.

Chapter five will draw on all the conclusions from the research; followed by the researcher’s reflections on learning in chapter six.

Limitations of Research

The researcher discovered some limitations during this research process which might limit the scope of this research. Firstly, the researcher found that most of the secondary data was not updated coupled with the time constraint as the researcher had to apply some rush in order to meet up with the deadline. The researcher had to make repeated (though approved) visits to many respondents in order to monitor the filling of questionnaires and this invariably ate into researcher’s limited time and this might affect the validity of the research.

Major Contributions of the Research

This research will among other contributions enable those in the top echelon of management, the decision makers in the mobile telecommunications industry in Ireland to have a thorough understanding of why there are service quality gaps as experienced by customers. As most businesses operate under the going concern principles, it is vitally important for management to attract and retain customers. One major way of achieving this is by closing the service quality gap which this research work had dealt copiously with.

Literature Review

In the past few decades, a lot of attention has been focused on service quality especially from researchers and practitioners due to its strong impact on business performance, customer satisfaction, customer loyalty and profitability (Santouridis, I. and Trivellas, P. 2010). The importance of service quality cannot be overemphasised hence, Headley, D. and Miller, S. (1994) argued that service quality relies on a simple but powerful discrepancy paradigm: initial service expectations must be met or exceeded by perceived outcomes of the service experience. Although some authors like Parasuraman, Zeithaml and Berry, (1985, 1988); Carman, (1990) agree that service quality is an abstract concept, difficult to define and measure, some definitions have been made. Traditionally service quality has been defined as the difference between customer expectations and perceptions of service (Gronroos, 1984; Parasuraman et al., 1988, 1991).

The concept of service quality

Services are deeds, processes, and performances provided or coproduced by one entity or person for another entity or person (Zeithaml, V.A. et al., 2009).

Quality is defined as conformance to requirements, not elegance (Crosby 1979)

Customer Expectations are beliefs about service delivery that serve as standards or reference points against which performance is judged (Zeithaml, V.A et al., 2009)

Customer Perception is defined as the entire process by which an individual becomes aware of the environment and interprets it so that it will fit into his or her frame of reference (Walters et al., 1989).
The sources of customer expectations are marketer-controlled factors (such as pricing, advertising, sales promises, as well as factors that the marketer has limited ability to affect (innate personal needs, word-of-mouth communications, and competitive offerings). In a perfect world, expectations and perceptions would be identical: customers would perceive that they have received what they thought they would and should. In practice these concepts are often, even usually, separated by some distance (Zeithaml, V.A et al., 2009).

**Service Quality**, as perceived by customers, can be defined as the extent of discrepancy between customers’ expectations or desires and their perceptions (Parasuraman, A., Zeithaml, V.A. and Berry, L. 1990). Closing the gap between what customers expect and what they perceive is critical to delivering quality service and forms the basis for the gaps model/“gap analysis”. The customer gap is the difference between customer expectations and perceptions (Zeithaml, V.A et al., 2009) (see figure 2.1 below)

**Figure 2.1: The customer gap**


The gaps model positions the key concepts, strategies and decisions in delivering quality service in a manner that begins with the customer and builds the organisation’s tasks around what is needed to close the gap between customer expectations and perceptions (Zeithaml, V.A and Parasuraman, A. 2004) see figure 2.2

**Figure 1.2: Gaps model of service quality**


The figure above shows that the central focus (top half) of the gaps model is the customer gap, and to close this all-important customer gap the gaps model suggests that four other gaps-the provider gaps-need to be closed (Zeithaml, V.A et al., 2009).

**Gap 1:** Not knowing what customers expect (or the Listening gap). This gap 1 is the difference between customer expectations of service and company, particularly management, understanding of those expectations. When people with authority and responsibility for setting priorities do not fully understand customers’ service expectations, they may trigger a chain of bad decisions and sub-optimal resource allocations that result in perceptions of poor service quality (Zeithaml, V.A. and Parasuraman, A. 2004).
**Gap 2:** The Wrong Service Quality Designs and Standards. The repeated challenge in service companies is the difficulty of translating customers’ expectations into service quality specifications. Provider gap 2 therefore reflects the difference between company understanding of customer expectations and development of customer-driven service designs and standards. When managers, frontline employees, behind-the-scenes support staff and other people involved are not working with the same concepts of the new service, based on customer needs and expectations, service design will likely be poor (Shostack 1992).

**Gap 3:** Not Delivering to Service Standards (The Service Performance Gap). Provider gap 3 is the discrepancy between development of customer-driven service standards and actual service performance by company employees. (Zeithaml, Berry and Parasuraman 1988). Narrowing gap 3 by ensuring that all the resources (people, systems and technology) needed to achieve the standards are in place reduces the customer gap (Zeithaml, V.A and Parasuraman, A. (2004).

**Gap 4:** Not Matching Performance to Promise (The Communication Gap). Provider gap 4 is the difference between service delivery and the service provider’s external communications. Promises made by a service company through its media advertising, sales force, and other communications may potentially raise customer expectations and serve as the standard against which customers assess service quality (Zeithaml, Berry, and Parasuraman 1988). The discrepancy between actual and promised service (i.e. in form of broken promises) therefore has an adverse effect on the customer gap.

### Customer satisfaction, loyalty and retention

In recent years, manufacturers and service providers have made quality of service their priority in today’s customer-centred era. Delivering service quality has been recognised so importantly that businesses not only require it for success but in some cases, for survival. Thus achieving and maintaining customer-perceived service quality is regarded as essential strategy for the successful provision of overall customer satisfaction and customer retention (Taylor and Baker, 1994; Reichheld and Sasser, 1990). Therefore, measuring perceived service quality is considered to be fundamental in developing a customer-oriented strategy that ensures the long-term survival of the firm (MacStravic, 1997). Some proponents of service quality state that quality can be defined only by customers and occurs when an organisation supplies goods or services to a specification that satisfies the customer’s need (Negi, R. 2009). As more and more firms are searching for new ways to achieve, retain, upgrade and leverage competitive advantages, given the fact that customers are becoming more demanding, competition is getting more intense and technology is changing more rapidly (Wang, Y. and Hing-Po Lo. 2002).

Satisfaction is the consumer’s fulfilment response. It is a judgement that a product or service feature, or the product or service itself, provides a pleasurable level of consumption-related fulfilment (Oliver, R.L. 1997). Zeithaml, V.A. et al., (2009) interpreted this definition to mean that satisfaction is the customer’s evaluation of a product or service in terms of whether that product or service has met the customer’s needs and expectations. According to the Greek Philosopher, Epictetus, “What concerns me is not the way things are, but rather the way people think things are”

The evolution in customer satisfaction measurement between the 1950’s and 1990’s is an interesting one. Hardly anyone in the mid-1970s spoke much about customer service, and this was in part the legacy of the Second World War (Szwarc, P. 2005). Reconstruction of consumer economies in the western world was paramount during the 1950’s and by the 1960’s, the period of consumer restraint and rationing was long forgotten as economies expanded and consumers once again had money to spend on new goods and services. In this period, most companies gained new customers fairly easily as they launched waves of new and better products and services. Szwarc, P. (2005) argued that it’s not surprising that organisations did not focus as much time and attention on customer service and the concept of customer satisfaction.
In a bid to save money, leading management thinkers in the 1980’s, such as William E. Rothschild of the U.S. General Electric Corporation, noticed that a strategic advantage could be gained if customer service was treated as a strategic business tool. Some companies embarked upon after-sales programmes and these companies (mostly home appliances and allied companies) started looking at ways to improve their ‘product breakdown’ service and market research was one of the business tools they used. Market research techniques were developed to examine customer reactions to the way companies ‘corrected’ the faults that had emerged and how quickly they could be corrected. Mystery shopping—where trained individuals would pose as customers and check out whether certain operational procedures were being adhered to in establishments they were monitoring, was one such tool.

By the early 1990s, when the world economy went into another major recession, two concepts emerged that changed how companies viewed, and managed, customer service. These concepts were the balanced scorecard and customer relationship management (CRM). Robert S. Kaplan (professor of accounting at Harvard Business School) and David P Norton (president of Nolan, Norton and Company, a Massachusetts-based information technology consulting firm) created the balanced scorecard in 1991. What Kaplan and Norton provided was a set of measures that gave management a fast and comprehensive view of an organisation by complementing the financial and operational measures with two new perspectives, a measure of customer satisfaction and a measure of the way an organisation ‘learns’—an innovation and improvement perspective (Kaplan and Norton, 1991).

Determinants of customer satisfaction

Customer satisfaction is influenced by specific product or service features, perceptions of product and service quality & price, customer’s mood or emotional state and situational factors such as family member opinions (Zeithaml, V.A. et al 2009)

**Product and Service Features**—Oliver, R.L. (1997) argued that customer satisfaction with a product or service is influenced significantly by the customer’s evaluation of product or service features. For hospitality industry, e.g. resort hotel, important features might include the pool area, access to golf facilities, restaurants, room comfort and privacy, helpfulness and courtesy of staff, room price, etc. According to Ostrom, A. and Iacobucci, D. (1995), research has shown that customers of services will make trade-offs among different service features (e.g., price level versus quality versus friendliness of personnel versus level of customization), depending on the type of service being evaluated and the criticality of the service.

**Emotions of Consumer**—Customers’ emotions can affect their perceptions of satisfaction with products and services (Oliver, R.L. 1997). These emotions can be stable, pre-existing emotions—e.g. mood state or life satisfaction. He stressed that when people are at a very happy stage in their lives (such as when they are on vacation), and their good, happy mood and positive frame of mind have influenced how they feel about the services they experience. Alternatively, when people are in their bad mood, their negative feelings may carry over into how they respond to services, causing them to overreact or respond negatively to any little problem.

**Attributions for Service Success or Failure**—Attributions—the perceived causes of events, influence perceptions of satisfaction (Folkes, V.S. 1988). When customers have been surprised by an outcome (the service is either much better or much worse than expected), they tend to look for the reasons, and their assessments of the reasons can influence their satisfaction. (Hubbert, A.R. 1995)

**Perceptions of Equity or Fairness**—Customer satisfaction is also influenced by perceptions of equity and fairness. Customers ask themselves: Have I been treated fairly compared with other customers? Did other customers get better treatment, better prices, or better quality service? Did I pay a fair price for the service? Was I treated well in exchange for what I paid and the effort I expended? Notions of fairness are central to customers’
perceptions of satisfaction with products and services, particularly in service recovery situations (Clemmer, E.C. and Schneider, B. 1996)

**Family Members and Co-workers**- In addition to product and service features and one’s own individual feelings and beliefs, consumer satisfaction is often influenced by other people (Fournier, S. and Mick, D.G. 1999). For example, satisfaction with a family vacation trip is a dynamic phenomenon, influenced by the reactions and emotions of individual family members over the duration of the vacation. What family members express in terms of satisfaction or dissatisfaction with the trip will be influenced by stories that are retold among the family and selective memories of the events.

Harris and Harrington, (2000) pointed out that customer satisfaction can be attained by companies, which have understood their customer’s needs and make every effort to provide services in an effective and efficient manner. Consequently, service quality is clearly linked to customer satisfaction.

**Customer loyalty & retention**

Customer loyalty is of critical importance for companies and especially for those operating in service industries. In such settings, service providers compete with companies very similar to themselves so that they often respond by employing customer retention strategies (Egan, 2004, p. 133). Thus, the challenge they have to face is to retain existing customers by winning their loyalty. Higher levels of customer satisfaction can lead to a reduction of the perceived benefits of alternative suppliers and hence to higher repurchase intentions (Anderson and Sullivan, 1993). In order to further emphasize this point, Anderson and Srinivasan (2003) claim that “a dissatisfied customer is more likely to search for information on alternatives and more likely to yield to competitor overtures than is a satisfied customer”.

McCarthy D. (1997) argued that many companies responded to this by cutting prices, as they mistakenly believed that price equated to loyalty and these companies believed that the lower the price, the more likely it was that customers would stay with the company. Paul Szwarc (2005) argued that what many companies had failed to realise was that customer satisfaction was not necessarily a reflection that customers were feeling positive about their organisations; rather it was that they were not feeling negative about them. In other words, they had no reason to defect.

After a thorough examination by many companies during the recession of the early 1990s of the performance of their marketing and sales expenditure, they discovered that it cost a lot more to acquire new customers than to retain existing ones, and that they also cost a lot more to manage (Paul Szwarc, 2005). McCarthy, D (1997) argues that during this early 1990s, it was not very difficult to find news headlines reporting growing customer dissatisfaction, and he believes that it is partly because organisations view customer satisfaction as a cost rather than an investment, and in particular, fail to invest in people at the front line. He asserts that satisfied customers are not something you can buy, and that their loyalty has to be earned. It builds with every single touch point with an organisation hence companies need a stable and highly motivated workforce to be able to deliver a good service, he argues.

The customer is the judge of service quality, Szwarc, P. (2005) and even where service is provided by a machine, e.g. a cash machine can only deliver the services for which it is programmed. If it is out of cash, and a customer wants to use it to get cash, the customer will seek another machine, which may be a competitor’s machine. If this machine delivers customers the cash they want, they may be tempted to use it again in the future. As Horovitz, (1990: 6) puts it, ‘Services exist in human experience and for service industries, service consists of two dimensions: basic features sought by the customer and the service experience at the time of consumption’. The risk of losing the customer increases as customer frustration grows, and as choice of supplier increases and the ease of switching supplier becomes easier (Paul Szwarc, 2005).

‘Loyalty’ is about a customer’s intention or predisposition to buy, but ‘retention’ is the actual act of buying again (Michael Johnson and Anders Gustafsson, 2000: 7). ‘Satisfied’
customers and ‘loyal customers both contribute to company profitability in different ways. Satisfied customers are more likely to ‘promote’ the company, because satisfaction is something people will talk about. Loyal customers however are more profitable because they are more likely to buy additional products, often without shopping around for the best price (Paul Szwarc, 2005). He argued that dissatisfied customers are a real cost to a company, because they criticize the company to others- and that research has shown that dissatisfied customers are likely to tell more people about their dissatisfaction than satisfied customers tell about why they are satisfied. It is worthy of note that not everybody would agree with the concept that loyalty is about repurchasing. Dr Hofmeyr, J (2004) suggested that there is a difference between loyalty and commitment. He argues that a ‘loyal’ customer might be someone who repurchases products and services but is not necessarily committed to the organisation and that he or she might be repurchasing out of habit or for some other reason. A committed customer has a stronger emotional bond to the organisation, and so is less likely to buy elsewhere, and more likely to be tolerant if things go slightly wrong.

As management became more interested in customer service and loyalty, new research techniques and models were developed (such as Simalto and SERVQUAL). There are different business models and theories that have been developed over the last couple of decades to measure and improve customer satisfaction, loyalty and company profitability. Some, such as Six Sigma, help organisations improve customer satisfaction, loyalty and profitability by concentrating on improving internal processes or operations through rigorous data gathering and analysis of those areas important to the customer. Some organisations use business tools such as the balanced scorecard and the balanced service chain. These ensure that the organisation’s strategic plan is understood and implemented by all employees. The plans are built on the premise that if the organisation focuses on delivering the type of quality service desired by loyal customers and providing real management and systems support to front-line employees, profits will follow (Szwarc, P. 2005).

There has been a shift from a transaction to a relationship focus in marketing. Customers become partners and the firm must make long- term commitments to maintaining those relationships with quality, service, and innovation (Webster Jr, F.E. 1992)

Relationship marketing essentially represents a paradigm shift within marketing-away from an acquisitions/transaction focus toward a retention/relationship focus (Gronroos, C. (1990). Relationship marketing (or relationship management) is a philosophy of doing business, a strategic orientation, which focuses on keeping and improving relationships with current customers rather than on acquiring new customers. This philosophy assumes that many consumers and business customers prefer to have an ongoing relationship with one organisation than to switch continually among providers in their search for value. (Zeithaml, V.A., Bitner, M. and Gremler, D.D. 2009) They suggested that it is usually much cheaper to keep a current customer than to attract a new one.

Berry, L.L. and Parasuraman, A. (1991) argued that firms frequently focus on attracting customers (the “First act”) but then pay little attention to what they should do to keep them (the “Second act”). When James L. Schorr, then executive vice president of marketing at Holiday Inns, Knisely, G. (1979) was interviewed, he referred to the “bucket theory of marketing”. He stressed that marketing can be thought of as a big bucket: it is what the sales, advertising, and promotion programs do that pours business into the top of the bucket (see figure 2.3)
He argued that as long as these programs are effective, the bucket stays full, but however, there exists one major problem which is that “there is a hole in the bucket”. When an organisation’s business is running well, and delivering on its promises, the hole is small and few customers are leaving, but when the operation is weak and customers are not satisfied with what they get- and therefore the relationship is weak- people start falling out of the bucket through the holes faster than they can be poured in through the top. Historically, marketers have been more concerned with acquisition of customers Zeithaml, V.A., Bitner, M. and Gremler, D.D. (2009), so a shift to a relationship strategy often represents changes in mind-set, organisational culture, and employee reward system. For example, the sales incentive systems in many organisations are set up to reward bringing in new customers. There are often fewer (or no) rewards for retaining the already existing customers. Thus, even when people see the logic of customer retention, the existing organisational systems may not support its implementation.

Customer defection, or “customer churn”, is widespread in service businesses. Customer defection is costly to companies because new customers must replace lost customers, and replacement comes at a high cost. Getting new customers is expensive; it involves advertising, promotion, and sales costs as well as start-up operating expenses. New customers are often unprofitable for a period of time after acquisition. Capturing customers from other companies is also an expensive proposition: a greater degree of service improvement is necessary to make a customer switch from a competitor than to retain a current customer (Zeithaml, V.A., Bitner, M. and Gremler, D.D. 2009).

In general, the longer a customer remains with the company, the more profitable the relationship is for the organisation: Served correctly, customers generate increasingly more profits each year they stay with a company. Across a wide range of businesses, the pattern is the same, i.e. the longer a company keeps a customer, the more money it stands to make (Reichheld, F. and Sasser, E. 1990)

**Customer behaviour intentions and cultural differences**

Although “research examining the effect of customer value and customer satisfaction on behaviour intentions has received very limited attention in the marketing literature” Athanassopoulos, (2000), Rust and Oliver’s (1994) call for research did not go unanswered. Bagozzi’s (2002) model suggests that initial service evaluation leads to an emotional reaction that in turn, drives behaviour. And it has been suggested that customer value leads to favourable behaviour intentions (Chang and Wildt, 1994; Cronin et al., 1997; Gale, 1994). Similarly, customer satisfaction drives favourable behaviour intentions too (Anderson et al., 1994; Swanson and Kelley, 2001). For some time, it has been understood that different value orientations cause variations in preferences for products and brands. Values of both
consumers and marketers are defined by their culture, hence the need to understand the value concept and culture cannot be overemphasised (De Mooij, 2004).

A **value** is defined as an enduring belief that one mode of conduct or end-state of existence is preferable to an opposing mode of conduct or end-state of existence. A value system is an enduring organisation of beliefs concerning preferable modes of conduct or end-states of existence along a continuum of relative importance (Rockeach, M. 1973). People of different countries have different value orientations that cause variation in preferences of products and brands (De Mooij, M. 2004).

**Consumer behaviour** can be defined as the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires. In other words, consumer behaviour is viewed as a process that includes the issues that influence the consumer before, during, and after a purchase (De Mooij, M. 2004). He stressed that culture must be integrated in the various components of human behaviour for a clear understanding of the influence of culture on consumer behaviour De Mooij, M. (2004) concluded. Acknowledging that behaviours are difficult to predict and understand, it has been suggested that a person will generally act in accordance with predisposing intentions (Ajzen and Fishbein 1980). An intent to behave is a result of experience with a service or information deemed relevant by the consumer about that service. This predisposition or attitude is seen as a determining factor in a consumer’s behaviour toward the offering as future need arises. Some of the possible behaviours exhibited by the consumer are: repeat purchase, complimenting, complaining, switching providers and opting not to use any service at all.

The model in figure 2.4 below structures the cultural components of the person in terms of consumer attributes and processes, and the cultural components of behaviour in consumer behaviour domains.

![Figure 2.4: Framework of cross cultural consumer behaviour](source)

Source: Adapted from De Mooij, Marijke, 2004

**Personality** is the sum of qualities and characteristics of being a person. Generally, a person is viewed as an “independent self-contained, autonomous entity who comprises a unique configuration of internal attributes (e.g., traits, abilities, motives and values) and who behaves primarily as a consequence of these internal attributes” (De Mooij, M. 2004). According to Kotler, P (1994), each person has a distinct personality that will influence his or her buying behaviour. De Mooij, M (2004) argues that western psychology is rooted in individualism while on the other hand, in the collectivistic model of the self, persons are fundamentally interdependent with one another. In this collectivistic model, the self cannot be separated from others and the surrounding social context. This concept of self, he stressed, is characteristic of Asia, much of South America, and Africa and went further to say that
behaviour is a consequence of being responsive to the others with whom one is interdependent and behaviour originates in relationships.

The cross-cultural psychologists Markus, H.R. and Kitayama, S. (1991) state that the self or the identity is critical because it is the psychological locus of cultural effects. It functions as a mediating, orienting and interpretative framework that will systematically bias how members of a given socio-cultural group will think, feel and act. The self is shaped by the cultural context, and in turn it strongly influences social behaviour through a variety of avenues including an individual’s perceptions, evaluations, and values (Singelis, Theodore M. 2000).

Psychologists, as highlighted by De Mooij, M. (2004) agree that the self-concept plays a central role in behaviour and psychological processes. Diaz-Loving, Rolando (1998) argues that it consists of whatever individuals consider to be theirs, including their body, family, possessions, moods, emotions, conscience, attitudes, values, traits and social position. A major distinction according to Roland, A. (1988) is between the independent self of individualistic cultures and the interdependent self of collectivistic cultures. In individualistic cultures, focus is on individual autonomy.

The sense of self which develops as a child grows up and establishes him or herself as an independent individual (De Mooij, M. 2004). Identity is the idea one has about oneself, one’s characteristic properties, one’s own body, and the values one considers important. Image on the other hand is how others see and judge a person (Antonides, G. and Van Raaij, W.F. 1998). Identity among collectivists is defined by relationships and group memberships, whereas individualists base identity on what they own and their experiences. Identity also is one’s capacity to fulfil expectations e.g. when persons are asked what their identity is, they can categorise themselves in terms of desirable values, as members of social groups (e.g., a father, a student), or by personality traits, for example “ambitious,” “cheerful” (De Mooij, M. 2004).

Consumer behaviourists view an attitude as a lasting, general evaluation of people (including oneself), objects, advertisements, or issues (Solomon, M. et al., 1999). A global attitude concerns an overall attitude toward a product or brand, without separate attributes playing a role. A differentiated attitude is a combination of beliefs and evaluations. The beliefs concern the perceived characteristics of products and the evaluative components can be connected with values (Antonides and Van Raaij, 1998. P. 20). They argued that people’s attitudes are guided by their values, which make them culture-bound, attitudes drive behaviour, but behaviour also drives attitudes.

The Western assumption is that attitudes lead people to behave in a fairly consistent way towards similar objects (Kotler, P. 1994. P. 188). The aspect of attitude being consistent is specific of individualistic cultures. In collectivistic cultures attitudes may vary along with the context in which they operate. Attitudes have affective and cognitive components. The affective component includes sensations, feelings, and emotions one experiences in response to an attitude object. The cognitive component includes various attributes and functions of the object (Cervellon, Marie-Cecile and Dube, laurette, 2002).

For measuring advertising effectiveness, the attitude to the advertisement (Aad) as argued by De Mooij, M. (2004), tends to be measured, which in turn is used as an indication of buying intention. This practice, he stressed is logical in individualistic cultures where individuals want consistency between their attitudes and behaviours. In collectivistic cultures where situational factors can influence the various elements of attitude and behaviour, the practice may not work the same way. Western consumer behaviour theory states that under certain conditions the behaviour of consumers can be predicted from their attitudes towards products, services and brands (Antonides and Van Raaij, 1998. P. 202).

Lifestyle is described in terms of shared values or tastes as reflected in consumption patterns. Personal characteristics are viewed as the “raw” ingredients to develop a unique lifestyle (Grunert, Klaus G. et al., 1997). Lifestyle, argues De-Mooij, M (2004) may be a useful within-country criterion; it is less useful for defining segments across cultures because
lifestyles are country-specific. He stressed that increasing evidence is found that culture overrides lifestyle.

Marketing theorists have often viewed culture as one of the underlying determinants in consumers’ decision-making processes (Blackwell, Miniard, and Engel, 2000). The significance of culture in understanding human behaviour (of which consumer behaviour is a part) is that it extends our understanding of the extent to which people are more than just chemistry, physiology, or a set of biological drives and instincts. The implication is that although all customers may be biologically similar, their views of the world, what they value, and how they act differ according to their cultural backgrounds (Loudon, D.L and Della Bitta, A.J 1993). In cross-cultural understanding of consumer behaviour, more and more companies have adopted a global outlook in which the world becomes their market. For example, numerous major corporations, such as Coca-Cola, Hoover, IBM, Pfizer, and Gillette, receive over half of their earnings from foreign operations, while many others also have significant international markets. Such situations require the marketer’s appreciation both of cultural differences among international markets and of their influence on consumer behaviour (Loudon, D.L and Della Bitta, A.J 1993).

Although there is a lack of consensus among scholars about the definitions and operations of culture, (Kroeber and Kluckhohn, 1952; Hofstede’s (1980, 1991) seminar work on five dimensions of culture is the most commonly used framework in consumer research. These five dimensions include individualism versus collectivism (IDV-COL), power distance (PDI), masculinity versus femininity (MAS-FEM), uncertainty avoidance (UAI). Collectivism is defined as how individuals perceive their relationships with other groups in society, while individualism emphasises independence and personal preferences and needs (Dutta-Bergman and Wells, 2002). In collectivistic cultures, priorities are given to harmony, conformity, and close relationships within groups (De Mooij, 2004). Power distance is defined as “the extent to which less powerful members of a society accept and expect that power is distributed unequally” (De Mooij and Hofstede, 2002, p.63). In large PDI cultures, individuals are expected to behave according to their place in the society (De Mooij, 2004). Emphases are placed on authority, respect, and inequality. In masculine cultures, the dominant values are success and achievement, while those in feminine cultures are quality of life and caring for the weaker. Uncertainty avoidance refers to how individuals react to uncertainty and ambiguity in their life.

Hofstede (1997, p.5), defines culture as “the collective programming of the mind which distinguishes the members of one group from another”. More individualistic and weak uncertainty avoidance cultures are characterised by higher consumer innovativeness and higher risk tolerance, whereas strong uncertainty avoidance is related to resistance to new innovations and security seeking (Kivija at al., 2007). People from different countries and cultures make different assumptions about what information is the most important (Zahedi et al., 2001).

**An overview of mobile telecommunications industry in Ireland**

Generally, the history of mobile phones charts the development of devices which connect wirelessly to the public switched telephone network (PSTN). The PSTN is the network of the world’s public circuit-switched telephone networks. It consists of telephone lines, fibre optic cables, microwave transmission links, cellular networks, communications satellites, and undersea telephone cables, all inter-connected by switching centres, thus allowing any telephone in the world to communicate with any other. Originally, a network of fixed-line analogue telephone systems, the PSTN is now almost entirely digital in its core and includes mobile as well as fixed telephones (Gow, G.A. and Smith, R.K. 2006; Fluhr, Z. and Nussbaum, E. 1973)

Up until the end of 1999, the penetration level of mobile phones in Ireland was relatively low. This is due to cost of the technology at the time. During the period 1995-99 inclusive, GDP growth each year was at record levels in Ireland, as the country went through the
economic period known as the 'Celtic Tiger'. During this time, growth in PDI matched or
exceeded GDP growth, and both of these can be closely related to the sharp decline in
unemployment. Economic growth peaked in 2000, and this is also the year in which record
mobile phone sales were recorded in Ireland. During 2000 over 1.4 million mobile phone
subscribers were added to the user base, representing 46% of the current user base i.e. in 2000
(MINTEL 2003)
In Ireland, near universal access to the mobile phone as a technological device has been
achieved. Unlike the personal computer (PC) and broadband, the mobile phone has been
widely adopted and deeply embedded into the lives of people in all strata of society. Elaborate
communication and social practices have evolved around use of the mobile phone: In how
people communicate with each other, conduct their lives, relationships and business, and
consume information and media services (Cawley, A and Hynes, D. 2010).
The contribution that telecommunication makes to GDP is significant, with the
telecommunications services market representing 3% of GDP in Ireland based on 2001
figures. This would include the contribution made by mobile communication services, but not
by retail sales of accessories and equipment (MINTEL 2003)
The changes to the mobile phones market include rapid increases in penetration levels,
changes to ownership and branding of mobile network operators, the awarding of third
generation (3G) licences, and subsequently (4G) licences in 2013, development of new
services and advancement in technology. Arguably a mobile phone has become an essential
consumer durable and is no longer perceived as a luxury item. This is a direct result of mobile
phones becoming accessible at mass-market price levels. It is also related to the fact that
economic and employment growth in recent years has raised the quality of living, impacting
on the buying power of consumers.
In Ireland, the telecommunication sector is regulated by the Commission for
Telecommunications Regulation (ComReg), which was established in December 2002. Prior
to this, regulation was the responsibility of Office of Director of Telecommunications
Regulation (ODTR). The (ODTR) was established in 1997 and, having assumed
responsibility for regulating the postal sector in 2000, its functions for both sectors were
transferred to the Commission for Communications Regulation (ComReg) in 2002.
ComReg (incorporating its predecessor the ODTR) was Ireland’s first independent
economic sectoral regulator and was created to oversee the introduction and development of
competition in the then newly-liberalised communications markets. Its mandate was clear and
remains so today – to create a competitive market place, protect and inform consumers, and
promote the internal market. In doing so, ComReg must also ensure the efficient use of
Ireland’s radio frequency spectrum and promote the development of the postal sector and in
particular the availability of a universal postal service within, to and from the State at an
affordable price for the benefit of all users.
The Callo costs website, www.callcosts.ie, is a free, up-to-date, easy to use and independent
website that covers most telephone, mobile and broadband plans available in Ireland. It is run
by ComReg. The Callo costs website helps people to compare the cost of different plans
available for their home phone, mobile and broadband services. Many providers offer
different types of plans and sometimes it is hard to know if the plan you are on is the best one
for you. Mintel (2005)
The Irish market has a number of operators that are designated as having significant market
presence (SMP) and thus there is a need for regulation. In the mobile telecommunications
market both Vodafone and O2 were designated as having SMP in 2012. At present, the major
mobile phone companies operating in Ireland are: Vodafone, Meteor, 3-Network, E-Mobile,
and Tesco Mobile. Others are Postfone Mobile, 48-Months Mobile, More Mobile, Blueface
Mobile, and Lyca Mobile. (www.askcomreg.ie). The Regulator ensures, among other things,
that licensed operators provide high-quality and price-competitive services to end-users. The
regulator also has responsibility for the management of the radio spectrum.
Vodafone Group Plc is one of the world’s leading mobile telecommunications companies. Established in the UK in 1984, it now has a significant presence in Europe, the Middle East, Africa, Asia Pacific and the US (Mintel 2010). In Ireland its mobile subscriber base now numbers 2.35 million and just over two thirds of those customers use prepaid services. The company according to Mintel 2010 has a total of 2.35 million customers in Ireland, which includes just under 200,000 fixed line and fixed line broadband subscribers.

Formed in 2001, O2 became part of Telefonica in 2006 (Telefónica-O2), Europe group which comprises integrated fixed/mobile businesses in the UK, Ireland, Germany, the Czech Republic and Slovakia – all of which use ‘O2’ as their consumer brand. In October 2007, Telefónica-O2 established the Tesco MVNO service joint venture business in the UK and Ireland. Telefónica-O2 has 72 stores in Ireland as at 2010 (Mintel 2010) but was acquired by 3-Network in 2013.

Meteor Mobile Communications according to Mintel (2010) was established in 2001 after being awarded Ireland's third mobile licence. It is a wholly owned subsidiary of Eircom Group plc. Meteor’s network covers over 98% of the Irish population. It has 40 stores throughout Ireland including regional offices in Limerick, Galway and Cork.

The operator 3 is a subsidiary of Hong Kong-based conglomerate Hutchison Whampoa. As befits its name, the operator focuses on 3G technology. The company entered the Irish market in 2005 and runs its Irish and UK operations through Hutchison 3G UK Limited and Hutchison 3G Ireland Limited. It uses a combination of its own outlets and concessions in expanding its presence on the high street. It has 32 shops in Ireland (Mintel 2010).

Figure 2.5: Market share of mobile phone operators (voice & data) Ireland 2010

Source: ComReg/Mintel (2010)

See appendix 12 for List of Mobile Network Operators in Ireland (Technology Used and Ownership)

There are various methods available to segment the mobile phones market in Ireland Mintel (2000). Mobile network operators market different services to meet different customer requirements. Broadly, the main packages consist of either:

- Pre-paid (Pay-as-you-go) phone packages
- Contract (Bill Pay) phone packages

These packages are broadly aimed at either personal or business users. Beyond this market segmentation there are other key segments, for example, text messaging and downloads. Business and personal users are the two main types of user in the mobile market.

Both personal and business users are becoming more technically savvy. As the mobile market becomes further saturated Mintel (2005), networks and manufacturers have turned their attention to improving and furthering technology to extend the appeal of their products.

The progress of mobile technology has become a major market driver, with many people embracing mobile services such as 3G & 4G Internet and email access and Bluetooth. Such customers are often high earners, with significant spending power. These consumers are generally conscious of updating and upgrading their phones regularly, often on an annual basis. The sector seeks to both cross-sell and up-sell to such customers, by offering more advanced services, accessories, complimentary and substitution goods and newer and
improved talk plans. With such customers, retention by the network provider is of paramount importance (Mintel, 2005)

According to Mintel, 2005 report, Pre-paid customers account for a significantly higher percentage share of all mobile phone revenues than post-paid contract users. See Figure 2.6 below:

![Figure 2.6: Prepay/contract comparison for adult aged 15+](image)

Taken from the TGI survey of around 3,000 adults in Ireland Source: RoI TGI, BMRB, 2004/Mintel

Pre-paid subscribers accounted for 74% of the Irish market in 2004. Pre-paid phones allow users to budget for their mobile phones more easily. These users don’t have the monthly worry of a large mobile phone bill because they can purchase call credit in advance of their calls. Pre-paid mobile phones are therefore a more attractive option to lower income groups, parents who are purchasing a phone for their child or for people who only use their mobile phone on a limited basis (Mintel 2005).

Pre-paid mobile phone users generally need to pay for their phone handset, in contrast to mobile subscription users who often receive free handsets (most times, depending on the make & model of the handset and tariffs) on registration. However, with many contract mobile phone users availing of annual free upgrades, many older models are provided as “hand-me-downs” to family and friends who use them in conjunction with a pre-paid package. The price plans for pre-paid packages tend to be more expensive on a per minute basis, with monthly subscription prices tending to be around 75% of the price paid by pay-as-you-go customers (MINTEL 2005). Differences between pay-as-you-go subscribers and contract subscribers may result from a number of issues, including barriers preventing some from becoming post-paid customers. Opening a post-paid monthly contract account requires credit checks, bank accounts and direct debit payment facilities, and these are often not available to many mobile phone users.

It is clear that the monthly fixed contract is a more attractive option to businesses where the inconvenience of topping up is a huge drawback, compared to receiving a monthly invoice which business processes are more likely to accommodate. For heavy users, like business customers, post-pay is also likely to be a much more attractive option since it provides better value for money. Business customers in Ireland, MINTEL (2005), drive the monthly subscription mobile phones segment. Estimates indicate that personal users account for only 6% of mobile monthly subscriptions, and these would tend to be in the middle-income bracket.

This sector (bill pay) seems to have suffered as most personal users have opted for the budgetary control offered by pre-paid services. The post-paid segment in Ireland was worth €445.4 million in 2004, almost €15 million less than its value in 2000. The decline in the value of the segment may be explained by the better value deals offered by providers to the prepay customers, with an abundance of free minutes and text message bundles available. Although this trend (i.e. with prepay still having an upper hand, continued in 2011 in terms of the percentage share of the market though the gap is not as staggering as it was in 2005 in most mobile providers. See figure 2.7 below:
The mobile phone market has experienced heavy sales losses across the board, as a result of economic recession in Ireland, market saturation and product cannibalisation. While the outlook is positive for mobile technology in general, this will be reliant on how well manufacturers and retailers adapt, and in particular, utilise the key tools of innovation and marketing. The technologically mature consumer now uses mobile technology in very different ways, and this is continuing to evolve. In terms of its potential to bring virtual and digital marketing to the consumer there is significant scope for mobile technology to be further developed by manufacturers and marketers alike (Mintel 2010).

Interest in technology that offers improved convenience and functionality for the consumer is strong. According to 2009 TGI data, half of respondents in Ireland claim that they try to keep up with developments in technology, and almost half look to the internet for information when they need it. Smart phones are seen as the way forward for maintaining revenue growth for the mobile phone sector. Smart phones already contain a calendar/organiser, photograph functionality payment functionality and business cards, these devices now have the potential to act as a replacement for the traditional wallet for some users. (Mintel 2010)

In the Irish mobile phone market, the need to improve network coverage has been re-echoed several times by customers. According to a survey conducted exclusively for this report by Toluna in April 2010, the majority of respondents in Ireland quoted poor network coverage as being the issue which frustrates them most when using mobile technologies. Given the expected growth in use of mobile broadband, this issue is likely to continue to aggravate consumers until full and reliable network coverage is attained (Mintel 2010). According to the report, lack of reception is a key frustration for consumers when it comes to using mobile phones and generally mobile technology in Ireland. The report on the other hand highlighted on the frustrations of customers about the high prices of phones and tariffs (price plans) and also stressed that their demand for lower prices on mobile phone voice charges will continue to drive down market value if not checked.

The industry has been subject to much negative publicity in both 2009 and 2010, regarding the charges for roaming. As a result, consumers are more wary of incurring these charges and instead may choose to leave their phone at home, or else not use it at all, when travelling. Mobile operators prior to 2009/2010 agreed to reduce roaming rates following a vote by the European Parliament in April 2007 to cap roaming charges. This will be of particular interest to Northern Irish users who inadvertently incur roaming charges when close to the Irish border. The first phase of this Europe-wide cap was introduced in 2007. In June 2010, the European Court of Justice struck down a challenge against this cap by Vodafone, O2 and other European mobile phone companies (who claimed that it was disproportionate). (Mintel 2010)

The Media Release by ODTR in March 8th 2001 showed that only a small proportion (11%) of mobile users claim to have switched supplier in the past twelve months. The
primary reasons for switching are special offers (24%), change of phone (22%) and better coverage/network (20%). According to The Irish Times (May 2014), “Unhappy customers are finally making the switch. Irish consumers are no longer prepared to put up with poor customer service – 72 per cent of us now active switchers, according to a new Accenture survey”. Little wonder the consumer queries and complaints statistics published in September 2007 by ComReg clearly highlighted customers’ frustrations on billing and installation &

![Consumer Queries and Complaints Statistics](image)

**Figure 2.8:** Consumer queries and complaints statistics

Source: ComReg, July to September 2007

In Ireland, the number of mobile phones surpasses the number of people. According to the national regulator, ComReg (2008), the Irish Republic has five million mobile subscriptions, despite the country’s population standing at 4.2 million.

**Research Methods & Methodology**

**Introduction to the research methodology**

This research will be undertaken from the view point of service quality in the mobile phone industry. It will emphasise among other things the relative importance of understanding the differences between humans in our role as social actors. We interpret our everyday social roles in accordance with the meaning we give to these roles and in addition, interpret the social roles of others in accordance with our own set of meanings (Saunders, M. et al., 2007). Social Actors such as customers may place many different interpretations on the situations in which they find themselves, so individual customers will perceive different situations in varying ways as a consequence of their own view of the world (Saunders, M. et al., 2007)

Business research does not exist in a vacuum. Not only it is shaped by what is going on in the real world of business and management; it is also shaped by many of the intellectual traditions that shape the social sciences at large (Bryman, A. and Bell, E. 2007). Research data are invariably collected in relation to something. The ‘something’ is often a pressing organisational problem, such as the effect of mergers and acquisitions on corporate culture or the impact of the introduction of new technology on employee motivation. Another scenario occurs when research is done on a topic when specific opportunity arises (Bryman, A. and Bell, E. 2007). In addition to the two stimuli for research mentioned above, Lofland and Lofland (1995) noted that many research publications emerge out of the researcher’s personal biography. Research methodology according to Saunders, M., et al., (2007) is the theory of how research should be undertaken, including the theoretical and philosophical assumptions upon which research is based and the implications of these for the method or methods adopted.
Research design

Research design according to Saunders et al., (2007) is the whole plan of how the researcher will go about answering his research question(s). This research involves different components of the research design to turn the researcher’s question into a research project. Saunders stressed that this involves a research onion as a way of depicting these components. In this research some layers of this onion will be peeled away (i.e. outer layer) and the remaining layers would then focus on turning the researcher’s question into answers by exploring customers’ expectation of and perception of the service they receive from mobile phone providers. Figure 3.1 below illustrates Saunders et al., (2007) onion.

Source: Saunders et al., (2007)

![Figure 3.1: The research ‘onion’](image)

Research problem area:
in Ireland.

Research Question:

Why is there gap in service quality and what are those factors that affect customers’ perceived service quality?

Research Objectives:

i. To explore the differences between expected and perceived service as experienced by users and to identify the service quality gaps using the modified SERVQUAL dimensions

ii. To critically examine the effect of customer satisfaction on loyalty and retention

iii. To examine the relationship between customer’s cultural value orientations on their perceived service quality.

Research philosophy

The term research philosophy relates to the development of knowledge and the nature of that knowledge, and involves developing knowledge in a particular field (Saunders, M. et al., 2007). They argue that the research philosophy contains important assumptions about the way in which the researcher views the world and these assumptions will underpin the researcher’s strategy. Since the researcher’s philosophy relates to knowledge development, it is pertinent to note that the relationship between knowledge and the process by which it is developed is a very important aspect of the entire research cycle. Tashakkori and Teddlie, (1998) argued that a researcher should study what interests him and is of value to him, study in the different ways in which he deems appropriate, and use the results in ways that can bring about positive consequences within his value system.

According to Saunders, M. et al., (2007), the research philosophy can be viewed from three major perspectives: Epistemology, Ontology and Axiology.
An epistemological issue concerns the question of what is (or should be) regarded as acceptable knowledge in a discipline (Bryman, A. and Bell, E. 2011). The core /central issue here is the question of whether or not the social world can and should be studied according to the same principles, procedures and ethos as the natural sciences. The position that affirms the importance of imitating the natural sciences is invariably associated with an epistemological position known as positivism.

Positivism according to Remenyi et al., (1998:32) applies when a researcher adopts the philosophical stance of the natural scientist. He pointed that the researcher using positivism works with an observable social reality and that the end product of such research can be law-like generalisations.

The doctrine of positivism is extremely difficult to pin down and therefore to outline in a precise manner, because it is used in a number of ways by authors. For some writers, it is descriptive category-one that describes a philosophical position that can be discerned in research; and for others, it is a pejorative term used to describe crude and often superficial data collection (Bryman, A. and Bell, E. 2011)

Realism is another epistemological position which relates to scientific enquiry. The essence of realism is that what the senses show us as reality is the truth: that objects have an existence independent of the human mind. The theory of realism is that there is a reality quite independent of the mind. Based on this, realism is opposed to idealism, the theory that only the mind and its contents exist (Saunders, M. et al., 2007)

Interpretivism is an epistemology that advocates that it is necessary for the researcher to understand the differences between humans in our role as social actors. This emphasises the difference between conducting research among people rather than objects such as computers (Saunders, M. et al., 2007). Bryman, A. and Bell, E. (2011) equally argued that Interpretivism is taken to denote an alternative to the positivist orthodoxy that has held sway for decades. It is predicated upon the view that a strategy is required that respects the differences between people and the objects of the natural sciences and therefore requires the social scientists to grasp the subjective meaning of social action.

Ontology: The researcher highlighted previously that the key epistemological question is ‘can the approach to the study of the social world, including that of management and business, be the same as the approach to studying the natural sciences’. Ontology on the other hand, is concerned with nature of reality. There are two aspects of ontology, and the first aspect is objectivism which portrays the position that social entities exit in reality external to social actors concerned with their existence. The second aspect, subjectivism, holds that social phenomena are created from the perceptions and consequent actions of those social actors concerned with their existence (Saunders, M. et al., 2007)

Axiology is a branch of philosophy that studies judgements about value, and the role that researcher’s values play in all stages of the research process is of great importance in order for the research results to be credible (Saunders, M. et al., 2007). Heron (1996) argues that our values are the guiding reason of all human action. The researcher’s choice of philosophical approach is a reflection of his values, as is his choice of data collection techniques.

In this research project, the researcher applied the philosophy of positivism. Though the researcher will prefer working with an observable social realities and equally tries to understand the differences between humans in our role as social actors he will vehemently avoid generalisations. This is because data collected will be analysed & interpreted statistically in order to test the hypotheses.

Research approach

Research approach is a general term for deductive and inductive research method. Deductive approach is an approach in which the researcher develops a theory and hypothesis (or hypotheses) and designs a research strategy to test the hypothesis. On the other hand, Inductive approach is an approach in which the researcher would collect data and develop
theory as a result of his data analysis (Saunders, M. et al., 2007). Deductive theory represents
the most common view of the nature of the relationship between theory and research. The
researcher on the basis of what is known about a particular domain and of theoretical

![Diagram of the sequence/process of deduction]

**Figure 3.2:** The sequence/process of deduction

Source: Business Research Methods, by Bryman and Bell (2011)

Research using an inductive approach, according to Saunders et al., (2007) is likely to be
particularly concerned with the context in which such events were taking place. They argued
that if a researcher is particularly interested in understanding why something is happening,
rather than being able to describe what is happening, it may be more appropriate to undertake
the research inductively rather than deductively. Followers of induction would criticise
deduction because of its tendency to construct a rigid methodology that does not permit
alternative explanations of what is going on. In that sense, they stressed, there is an air of
finality about the choice of theory and definition of the hypothesis.

The deductive approach will be used in this research by the researcher because of the
symbiotic relationship with positivism which is a subset of an epistemological position that
supports the methods of the natural sciences to the study of social reality and beyond. The use
of this approach by the researcher will highlight in no small measure the need to explain
causal relationships between variables (in this context-SERVQUAL dimensions) This
approach will equally showcase researcher’s independence of what is being researched.

Based on the above and also on the review of literature, the researcher’s:

**Theoretical Proposition is:** Customer satisfaction has a significant influence on
customers’ perceived service quality

**Specific Hypotheses are:**
1. Customer satisfaction has a significant influence on loyalty
2. The higher the perceived network quality, the greater the level of loyalty from
customers
3. Price has a significant influence on customers’ perception of service from mobile
providers in Ireland.

In addition to the above reasons for the choice of deductive approach, this method is
advantageous because there is wealth of literature from which the researcher can define a
theoretical framework and a hypothesis. Deductive research can also be quicker to complete
and it’s normally possible to predict the time schedules accurately (Saunders et al., 2007)
Another point to bear in mind is that the deductive process appears very linear-one step
follows the other in a clear, logical sequence ((Bryman, A. and Bell, E. 2011). In order to test
the above hypotheses with a view to closing the service quality gaps, the researcher will totally move away from “test room method” and will adopt a more quantitative strategy. Survey questionnaires will be used to gather data from respondents. This strategy will be undertaken to establish the effect of variables which are broken down from the hypotheses.

Research strategy

Research Strategy according to Saunders et al., (2007) is the general plan of how the researcher will go about answering the research question(s) and at the same time meets the research objectives. This was echoed by (Bryman, A. and Bell, E. (2011) who defined research strategy as a general orientation to the conduct of business research. Saunders et al., (2007) identified seven types of research strategies, namely:

3.5.1 Experiment which tends to be used in exploration and explanatory research to answer ‘how’ and ‘why’ questions is a classical form of research that focuses on natural sciences, though it can be used in social science research. The purpose of an experiment is to study causal links; whether a change in one independent variable produces a change in another dependent variable (Hakim, 2000). An experiment involves typically: definition of a theoretical hypothesis; selection of samples of individuals from known populations; random allocation of samples to different experimental conditions, the experimental group and the control group; introduction of planned intervention or manipulation to one or more of the variables, and control of all other variables (Saunders et al., A. 2007).

3.5.2 A Survey strategy is a popular and common strategy in business and management research and is most frequently used to answer who, what, where, how much and how many questions. It is usually associated with the deductive approach and tends to be used for exploratory and descriptive research. Surveys are popular as they allow the collection of a large amount of data from a sizeable population in a highly economical way. These data are often obtained by using a questionnaire administered to a sample and are standardised, allowing easy comparison. These quantitative data which this survey strategy allows the researcher to collect could be analysed quantitatively using descriptive and inferential statistics (Saunders et al., 2007). They further argued that these data collected via the survey strategy could be used to suggest possible reasons for particular relationships between variables and to produce models of these relationships.

3.5.3 Case Study is a research strategy that entails the detailed and intensive analysis of a single case and can be associated with both theory generation (i.e. from the findings) and theory testing (Saunders et al., 2007). Robson (2002: 178) defines case study as a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence. The case study strategy will be of particular interest to a researcher if he wishes to gain a rich understanding of the context of the research and the processes being enacted (Morris and Wood, 1991).

3.5.4 Action Research. Bryman, A. and Bell, E. (2011) defined action research as a strategy in which the action researcher and a client collaborate in the diagnosis of a problem and in the development of a solution based on the diagnosis. Action research differs from other research strategies because of its explicit focus on action, in particular promoting change within the organisation. It is particularly useful for ‘how’ questions and in addition, the person undertaking the research is involved in this action for change and subsequently application of the knowledge gained elsewhere.

3.5.5. Grounded Theory. This strategy is according to Goulding (2002), particularly helpful for research to predict and explain behaviour, the emphasis being upon developing and building theory. In grounded theory, Saunders et al., (2007), argued that data collection starts without the formation of an initial theoretical framework. Theory is developed from data generated by a series of observations.

3.5.6. Ethnography originates from the field of anthropology and the purpose is to describe and explain the social world the research subjects inhabit in the way in which they would describe and explain it. It is in no doubt a research strategy that is very time consuming.
and takes place over an extended time period as the researcher needs to immerse him/herself in the social world being researched as completely as possible (Saunders et al., 2007).

3.5.7. Archival Research strategy enables the researcher to make use of administrative records and documents as the principal source of data. Although the term archival has historic connotations, it can refer to recent as well as historical documents (Bryman, 1989). It is pertinent to note that all research that makes use of data contained in administrative records is inevitably secondary data analysis because the data were originally collected for a different purpose, the administration of the organisation (Saunders et al., 2007).

The researcher believes that since this research project will be adopting the deductive approach, a survey strategy will be used. The main aim of the research is to explore customers’ expectation and perception of the service they receive from mobile phone providers. This obviously aims to seek new insights into service quality gap which undoubtedly will require asking the Who, what, how much and how many questions from mobile phone subscribers, hence the choice of survey strategy. As it will be very cumbersome to collect data from the entire country (Ireland), questionnaires will be administered to a specific population within Ireland which the researcher deems representative of the whole country, and at a lower cost. Be that as it may, there are few concerns about using this approach which include: more time is spent in ensuring that the chosen population is representative; analysing the results, even with readily available analysis software will also be time consuming (Saunders et al., 2007).

Population & sample

A population is the universe of units from which a sample is to be selected (Bryman, A. and Bell, E. 2011). For the purpose of this research, the definition of population is: All Households in Esker Woods, Lucan, County Dublin Ireland.

The above population is made of various components:
- Elements- Households in Esker Woods
- Units- Esker Woods
- Extent- Esker Woods, Lucan, County Dublin
- Time- Autumn 2015

The combined factors of time and budgetary constraints have made it practically impossible to collect data from the entire population of Ireland hence the definition of specific population above. The researcher believes that the definition of Esker Woods as a chosen population in this research is representative. This chosen population will be a sub-set of the population of Ireland. The researcher will collect and analyse data from all households in the chosen population, therefore employing census method, and the data are treated as census data. Census, according to Bryman, A. and Bell, E. (2011) is the enumeration of an entire population.

There are six units in the chosen population (Esker Woods) which contain 128 potential respondents. The figure below shows the six units:

<table>
<thead>
<tr>
<th>Units</th>
<th>NUMBER OF SEMI-DETACHED HOUSES</th>
<th>NUMBER OF HOUSEHOLDS IN ONE SEMI-DETACHED HOUSE</th>
<th>TOTAL NUMBER OF HOUSEHOLDS IN ESKERWOODS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Esker Woods Drive</td>
<td>15</td>
<td>2</td>
<td>15x2=30</td>
</tr>
<tr>
<td>Esker Woods Close</td>
<td>12</td>
<td>2</td>
<td>12x2=24</td>
</tr>
<tr>
<td>Esker Woods Walk</td>
<td>4</td>
<td>2</td>
<td>4x2=8</td>
</tr>
<tr>
<td>Esker Woods Grove</td>
<td>4</td>
<td>2</td>
<td>4x2=8</td>
</tr>
<tr>
<td>Esker Woods Court</td>
<td>14</td>
<td>2</td>
<td>14x2=28</td>
</tr>
</tbody>
</table>
Time horizons

Time is a very important variable when carrying out a research. The researcher believes that there is a natural phenomenon that whatever has a beginning must have an end but it’s a matter of time. Research project is no exception. When planning a research, Saunders et al., (2007) highlighted that the very momentous question the researcher will ask is whether the research will be a snapshot taken at a particular time or does the researcher want it to be more akin to a diary and be a representation of events over a given period. The ‘snapshot’ time horizon is called **cross-sectional** while the ‘diary’ perspective is called **longitudinal**. Due to the fact that this research will be time constrained, data will be gathered just once, perhaps over a period of days or weeks or months, in order to answer the research question. Such studies are called one-shot or **cross-sectional research** (Sekaran, U. 2003). The choice of this cross-sectional research was made because this research focuses on a particular phenomenon (i.e. the exploration of customer’s expectation of and perception of the services they receive from mobile providers, which is a situation that is observed to exist or happen) at a particular time.

Ethical issues

In this research process, there are bound to be some ethical issues which will need to be addressed. The researcher thinks that unaddressed ethical issues might not only derail the entire research process but might envelope into a bowl of flame that will be difficult to extinguish. Saunders, M. et al., (2007) points out that research ethics has important implications for the negotiation of access to people and organisations and the collection of data and also defined personal data as any information relating to identified or identifiable persons.

In the course of this research, there will be data protection concerns and the researcher acting within the confines of the law will apply openness throughout the research process. By openness, the researcher means that all questions on the questionnaire will be copiously explained to the respondent, and sensitive questions should be avoided. Before conducting the survey the researcher will educate the participants on their ethical and legal rights. The researcher will also seek respondent’s consent especially before distributing the questionnaires making sure that ethical issues of confidentiality and anonymity will be addressed. He equally thinks that all potential issues that might degenerate or pose ethical dilemma should be addressed.

Every effort will be made to work within the confines of the data protection act of the land. Little wonder the mission statement of Office of The Data Protection Commissioner of Ireland is, “To protect the individual’s right to privacy by enabling people to know, and to exercise control over how their personal information is used, in accordance with the Data Protection Acts, 1988 and 2001”. http://dataprotection.ie/docs/Home/4.htm. This office also defined data protection as your fundamental right to privacy. The ethical issues of confidentiality will be applied in the whole stages of this research i.e. data collection; data processing and storage; data analysis and reporting.

Data collection techniques

Most business and management researchers in trying to answer their research question (s) or meet their objectives consider initially the possibility of reanalysing data that have already been collected for some other purpose. Such data are known as **secondary data**. On the other hand, many other researchers think in terms of collecting new (**primary**) data specifically for that purpose (Saunders et al., 2007). They highlighted that secondary data include both raw
data and published summaries because most organisations collect and store a variety of data to support their operations: for example, payroll details, copies of letters, minutes of meetings and accounts of sales of goods or services. Primary sources include: Observation; Interviewing and Questionnaires.

There are two types of primary data collection which are quantitative and qualitative data. One way of differentiating between the two, according to Saunders et al., (2007) is the focus on numeric (numbers) or non-numeric (words) data. They pointed out that quantitative data is predominantly used as a synonym for any data collection technique (such as questionnaire) or data analysis procedure (such as graphs or statistics) that generates or uses numerical data. In contrast, qualitative data is used predominantly as a synonym for any data collection technique (such as an interview) or data analysis procedure (such as categorising data) that generates or uses non-numerical data. Bryman, A. and Bell, E. (2011) summed it up and pointed out that quantitative research can be construed as a research strategy that emphasises quantification in the collection and analysis of data. In contrast, qualitative research can be construed as a research strategy that usually emphasises words rather than quantification in the collection and analysis of data (See figure 3.4)

For the purpose of this research the researcher applied both primary and secondary sources for collecting data. This combination is essential in order to answer the research question and meet the objectives. The data collection from secondary sources would be mainly from academic journals, publications and textbooks, newspapers.

**Qualitative Data Collection**

Under the primary sources of data collection, the researcher had employed a quantitative method (specifically questionnaires) approach therefore qualitative method will not be used.

**Quantitative Data Collection**

The researcher has employed the quantitative research method (under primary sources), the Survey to collect data for this research. A survey is a research strategy that involves the structured collection of data from a sizeable population and the term ‘survey’ is often used to describe the collection of data using questionnaires (Saunders et al., 2007) The researcher in the bid to answer the research question and meet the objectives has modified the original SERVQUAL instruments (as mentioned above) to suit the telecommunication industry. The questionnaire was therefore designed considering this modification and answering the research question. Questionnaire is a general term which includes all techniques of data collection in which each person is asked to respond to the same set of questions in a predetermined order. It includes structured interviews and telephone questionnaires as well as

![Figure 3.4: Methods of data collection](image-url)
those in which the questions are answered without an interviewer being present, such as online questionnaire (de Vaus, 2002).

Saunders et al., (2007) pointed that the design of questionnaire differs according to how it is administered and in particular, the amount of contact the researcher has with the respondents. They further highlighted that self-administered questionnaires are usually completed by the respondents. Such questionnaires are administered electronically using the internet (internet-mediated questionnaires) or intranet (intranet-mediated questionnaires), posted to respondents who return them by post after completion (postal or mail questionnaires), or delivered by hand to each respondent and collected later (delivery and collection questionnaires). Interviewer-administered questionnaires on the other hand could be used in the form of telephone questionnaire and structured interview. The researcher employed delivery and collection questionnaire method because of the friendly and long-standing relationship with most of the respondents. Questionnaires were therefore delivered by hand to each respondent and collected later and according to Saunders et al., (2007), with delivery and collection questionnaires, the researcher can sometimes check who has answered the questions at collection.

Questionnaire Design

The choice of questionnaire will be influenced by a variety of factors related to the research question(s) and objectives and in particular the: characteristics of the respondents from whom the researcher wishes to collect data; importance of reaching a particular person as respondent; importance of respondents’ answers not being contaminated or distorted; size of sample the researcher requires for his analysis, taking into account the likely response rate; types of questions the researcher needs to ask to collect his data; number of questions the researcher needs to ask to collect his data (Saunders et al., 2007). The researcher has not only defined the theories he wishes to test as relationships between variables, but has also reviewed the literature carefully prior to designing his questionnaire. Foddy (1994:17) emphasises that ‘the question must be understood by the respondent in the way intended by the researcher and the answer given by the respondent must be understood by the researcher in the way intended by the respondent’

Figure 3.5 below shows the stages that must occur if a question is to be valid and reliable

![Figure 3.5: Stages that must occur if a question is to be valid and reliable](source: Foddy, W. (1994))

The questionnaire was designed primarily to: (See research objectives in 3.2.3)

Questionnaire Content, layout and Wording

The contents of the questionnaire are well structured with responses properly formatted. The respondents were given the option to choose from multiple-choice answers to ratings scales (using likert scales). The questions were designed in a manner that reading questions and filling in responses was easy. The layout of questionnaire was very attractive and
appealing and this would encourage the respondents to fill and return them. The questions are
not too long and are not cramped. However, where the choice is between an extra page and a
crammed questionnaire the former is likely to be more acceptable to respondents (Dillman,
2000).

Pre-Testing/Modifications in the Questionnaire

A pilot survey or pre-test is simply a trial run on the main survey undertaken to test the
questionnaire, the reaction of respondents, and the researcher’s procedures for carrying out
the survey (Brannick, T. and Roche, W.K. 1997). The purpose of the pilot test according to
Saunders et al., (2007) is to refine the questionnaire so that respondents will have no problems
in answering the questions and there will be no problems in recording the data. In order to
identify errors and also technical and ambiguous questions which might affect the
respondents when answering the questions, the researcher distributed a number of drafts to be
completed by potential respondents. The draft questionnaire was distributed to a number of
work colleagues and also college mates (totaling 23) to be pre-tested. The feedback was
immeasurable because there were a number of issues which needed to be corrected. The pre-
test uncovered that some questions are too long, unclear and ambiguous. Most of these
colleagues commented that the layout wasn’t attractive. These mistakes were corrected in
conjunction with the application of spell-check to ensure that there are no grammatical errors
and the final draft was produced.

The pilot survey discussed above was carried out primarily to determine the suitability,
readability and ambiguity of the SERVQUAL instruments and to extract additional service
quality criteria if need be using open-ended questions. Though the majority of the participants
in the pilot survey felt that the five dimensions of SERVQUAL model (tangibles, reliability,
responsiveness, assurance and empathy) were appropriate for use in the Irish mobile
telecommunications few participants felt that there are gaps which need to be filled. They
found that there are still some dimensions that need to be introduced. According to the
participants, network aspect, service convenience, loyalty and pricing should be added to the
original five dimensions in order to provide answers as to why there is service quality gap.
Accordingly, the new dimensions were incorporated in the questionnaire used in the final
survey.

The final instrument therefore used 33 statements with nine dimensions (see appendix 10)
of tangibles, reliability, responsiveness, assurance, empathy, network aspect, convenience,
loyalty and pricing. Of these 33 items, 21 items were taken from the original SERVQUAL
instruments and modified to telecommunications industry. One item (of the 21 items) related
to “service provider provides services at the promised time” was deleted from the reliability
dimension as it was found to convey same message with the item “when service provider
promises to do something by a certain time, it will do” by the participants of the pilot survey.
Another item “the appearance of the physical facilities will be in line with the type of services
provided” from tangibles dimension was equally removed because participants saw no need
for that and argued that it has no relevance to bridging the service quality gap. One more item
“service provider will have operating hours convenient to all its customers” from empathy
dimension was also removed and transferred to another dimension, “Convenience” as
participants highlighted that it would be proper to be with that rather than with “empathy”.
The remaining 18 items from the original SERVQUAL dimensions were then added to the 15
new items to make a total of 33 items.

The researcher clarifies that cultural issue which was reflected in the literature review was
not included in the questionnaire as participants in the pilot survey felt that it has a broad
spectrum and argued that culture is a sensitive issue and that the questionnaire will not give
the respondents enough opportunities to answer the cultural questions in detail. For the
measurement of the service customers receive from mobile phone providers in Ireland, the
researcher has employed the nine modified SERVQUAL dimensions using a five- point
Likert scale. This scale includes ‘strongly agree’, ‘agree’, ‘undecided’, ‘disagree’, and
‘strongly disagree’. 31 out of 33 items were measured using the five-point Likert scale, and the remaining two, “service provider will have up-to-date equipment” under tangibles dimension, Yes or No answer was used. In the other item, “service provider will be dependable”, a three-point Likert scale was used as the researcher found it more appropriate and straight to the point. Among the tools of measuring service quality that focus external perspective, SERVQUAL developed by Parasuraman et al. (1988), seems to be useful and widely adopted by researchers (Hoffman and Bateson, 2001).

Data Analysis and Findings

This chapter covers the analysis of data collected via survey method-questionnaires. The essence of this chapter from the researcher’s perspective is not only to highlight the research question/objectives but also to proffer answer(s) to the question. The researcher will also try and put the data collected via the questionnaires in juxtaposition with the theories derived from related research literature and subsequently test the research hypotheses.

Quantitative data editing and coding

Demographics of the respondents

Q1. Gender distribution

<table>
<thead>
<tr>
<th>What gender are you?</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>60.9%</td>
<td>70</td>
</tr>
<tr>
<td>Female</td>
<td>39.1%</td>
<td>45</td>
</tr>
<tr>
<td>answered question</td>
<td></td>
<td>115</td>
</tr>
<tr>
<td>skipped question</td>
<td></td>
<td>0</td>
</tr>
</tbody>
</table>

Figure 4.1: Charts for gender distribution

Q2. Age groups

<table>
<thead>
<tr>
<th>To which one of the following age groups do you belong</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-24</td>
<td>22.6%</td>
<td>26</td>
</tr>
</tbody>
</table>

Figure 4.3: Chart for age distribution
25-34 24.3% 28
35-44 23.5% 27
45-54 21.7% 25
55-64 7.0% 8
Over 65 0.9% 1

answered question 115
skipped question 0

**Figure 4.4:** Table for age distribution

### Q3. Level of Education

<table>
<thead>
<tr>
<th>What level of education did you attain?</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary education</td>
<td>7.8%</td>
<td>9</td>
</tr>
<tr>
<td>Secondary education</td>
<td>33.9%</td>
<td>39</td>
</tr>
<tr>
<td>Undergraduate degree</td>
<td>33.9%</td>
<td>39</td>
</tr>
<tr>
<td>Masters degree</td>
<td>19.1%</td>
<td>22</td>
</tr>
<tr>
<td>Doctorate degree</td>
<td>2.6%</td>
<td>3</td>
</tr>
<tr>
<td>others, please specify</td>
<td>2.6%</td>
<td>3</td>
</tr>
</tbody>
</table>

answered question 115
skipped question 0

**Figure 4.5:** Chart for level of education

### Q4. Network Provider

<table>
<thead>
<tr>
<th>Which Irish mobile network is your provider?</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>O2</td>
<td>33.0%</td>
<td>38</td>
</tr>
<tr>
<td>Vodafone</td>
<td>35.7%</td>
<td>41</td>
</tr>
<tr>
<td>3 Network</td>
<td>11.3%</td>
<td>13</td>
</tr>
<tr>
<td>Meteor</td>
<td>13.9%</td>
<td>16</td>
</tr>
</tbody>
</table>

**Figure 4.6:** Table for level of education

**Figure 4.7:** Chart for network provider distribution
E-Mobile | 3.5% | 4  
Tesco     | 2.6% | 3  
answered question | 115  
skipped question | 0  

**Figure 4.8:** Table for network provider distribution

**Q5. Method of Payment**

![Figure 4.9: Chart for method of payment]

<table>
<thead>
<tr>
<th>What is the method of payment for your mobile service?</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pay as you go (i.e. Prepay)</td>
<td>52.2%</td>
<td>60</td>
</tr>
<tr>
<td>Monthly contract (i.e. Bill Pay)</td>
<td>47.8%</td>
<td>55</td>
</tr>
<tr>
<td>answered question</td>
<td>115</td>
<td></td>
</tr>
<tr>
<td>skipped question</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 4.10:** Table for method of payment

**Service quality dimensions**

**Q6. Tangibles (A)**

There are three items in this dimension type hence the numbering, tangibles (A, B, C). These three items will measure customers’ satisfaction individually.

![Figure 4.11: Table for provider having up to date equipment]

<table>
<thead>
<tr>
<th>Do you think your service provider has up-to-date equipment?</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>82.6%</td>
<td>95</td>
</tr>
<tr>
<td>No</td>
<td>15.7%</td>
<td>18</td>
</tr>
<tr>
<td>Others</td>
<td>1.7%</td>
<td>2</td>
</tr>
<tr>
<td>answered question</td>
<td>115</td>
<td></td>
</tr>
<tr>
<td>skipped question</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 4.11:** Table for provider having up to date equipment
The figure 4.11 above showed that a total of 115 responded to that question and 95 of these concurred that their service providers have up-to-date equipment while 18 answered ‘no’. The remaining 2 respondents neither answered ‘yes’ nor ‘no’.

**Q7. Tangibles (B)**

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>21.7%</td>
<td>25</td>
</tr>
<tr>
<td>Agree</td>
<td>47.8%</td>
<td>55</td>
</tr>
<tr>
<td>Undecided</td>
<td>23.5%</td>
<td>27</td>
</tr>
<tr>
<td>Disagree</td>
<td>7.0%</td>
<td>8</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>0.0%</td>
<td>0</td>
</tr>
</tbody>
</table>

answered question 115
skipped question 0

**Figure 4.13: Table for physical facilities being visually appealing**

It was revealed from figure 4.13 above that 47.8% of 115 respondents agreed that the physical facilities at their service provider are visually appealing and only 7.0% disagreed with the statement.

**Q8. Tangibles (C)**

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>14.8%</td>
<td>17</td>
</tr>
<tr>
<td>Agree</td>
<td>55.7%</td>
<td>64</td>
</tr>
<tr>
<td>Undecided</td>
<td>21.7%</td>
<td>25</td>
</tr>
<tr>
<td>Disagree</td>
<td>7.8%</td>
<td>9</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>0.0%</td>
<td>0</td>
</tr>
</tbody>
</table>

answered question 115
skipped question 0

**Figure 4.15: Table for providers employees appearing neat/well dressed**
Figure 4.16: Chart for providers' employees appearing neat/well-dressed

Figure 4.15 above shows that 55.7% of the 115 respondents agreed that the employees at their service providers appear neat and well dressed while 7.8% disagreed with the statement.

Q9. Reliability (A)

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>16.5%</td>
<td>19</td>
</tr>
<tr>
<td>Agree</td>
<td>48.7%</td>
<td>56</td>
</tr>
<tr>
<td>Undecided</td>
<td>23.5%</td>
<td>27</td>
</tr>
<tr>
<td>Disagree</td>
<td>10.4%</td>
<td>12</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>0.9%</td>
<td>1</td>
</tr>
</tbody>
</table>

Figure 4.17: Table for provider delivering services as promised

48.7% of respondents from figure 4.17 above are satisfied that their service providers deliver on their promises and 10.4% disagreed to that.

Q10. Reliability (B)

<table>
<thead>
<tr>
<th>My service provider shows a sincere interest in solving my problem</th>
</tr>
</thead>
<tbody>
<tr>
<td>Answer Options</td>
</tr>
<tr>
<td>----------------</td>
</tr>
</tbody>
</table>
Figure 4.19: Table for service provider showing sincere interest in solving customer's problems

<table>
<thead>
<tr>
<th>Agreement Level</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>14.8%</td>
<td>17</td>
</tr>
<tr>
<td>Agree</td>
<td>47.0%</td>
<td>54</td>
</tr>
<tr>
<td>Undecided</td>
<td>22.6%</td>
<td>26</td>
</tr>
<tr>
<td>Disagree</td>
<td>13.9%</td>
<td>16</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>1.7%</td>
<td>2</td>
</tr>
</tbody>
</table>

answered question 115
skipped question 0

Figure 4.20: Chart for service providers showing sincere interest in solving customer's problems

Figure 4.19 shows that 47.0% of the 115 respondents agreed that their service provider shows a sincere interest in solving their problems. 13.9% of the respondents disagreed with the statement.

Q11. Reliability (C)

<table>
<thead>
<tr>
<th>I trust my service provider</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Completely trust provider</td>
<td>53.0%</td>
<td>61</td>
</tr>
<tr>
<td>Undecided</td>
<td>29.6%</td>
<td>34</td>
</tr>
<tr>
<td>Do not trust provider</td>
<td>17.4%</td>
<td>20</td>
</tr>
</tbody>
</table>

answered question 115
skipped question 0

Figure 4.21: Table showing customer's trust on the service provider

Figure 4.22: Chart showing customer's trust on the service provider
From table 4.21 above, 53.0% out of 115 respondents completely trust their service provider while 17.4% did not trust their provider.

**Q12. Reliability (D)**

<table>
<thead>
<tr>
<th>Answer Options</th>
<th>Response Percent</th>
<th>Response Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>16.5%</td>
<td>19</td>
</tr>
<tr>
<td>Agree</td>
<td>55.7%</td>
<td>64</td>
</tr>
<tr>
<td>Undecided</td>
<td>19.1%</td>
<td>22</td>
</tr>
<tr>
<td>Disagree</td>
<td>7.8%</td>
<td>9</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>0.9%</td>
<td>1</td>
</tr>
</tbody>
</table>

answered question 115
skipped question 0

**Figure 4.23:** Table showing whether service provider keeps accurate record or not

![Table showing whether service provider keeps accurate record or not](image)

It was revealed from figure 4.23 above that 55.7% of 115 respondents agreed that their service provider keeps accurate records and just 7.8% disagreed to the statement.

**Q13. Responsiveness**

Please indicate your agreement with the following statements:

<table>
<thead>
<tr>
<th>Answer options</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Response count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service provider informs customer exactly when services will be performed</td>
<td>34</td>
<td>55</td>
<td>16</td>
<td>9</td>
<td>1</td>
<td>115</td>
</tr>
<tr>
<td>Employees give prompt services to customers</td>
<td>28</td>
<td>55</td>
<td>23</td>
<td>8</td>
<td>1</td>
<td>115</td>
</tr>
<tr>
<td>Employees are always willing to help customers</td>
<td>32</td>
<td>46</td>
<td>28</td>
<td>8</td>
<td>1</td>
<td>115</td>
</tr>
<tr>
<td>Employees are never too busy to respond to customers’ request</td>
<td>25</td>
<td>42</td>
<td>35</td>
<td>10</td>
<td>3</td>
<td>115</td>
</tr>
</tbody>
</table>
The service quality dimension ‘responsiveness’ from figure 4.26 above comprises of four items tailored towards measuring customer satisfaction from mobile phone providers.

Question 1: Service provider informs customers exactly when services will be performed: 47.8% agreed to that and 7.8% disagreed. The result equally revealed that 29.6% are even strongly in agreement but only 0.9% strongly disagreed.

Question 2: Employees give prompt services to customers: 47.8% agreed to this statement while 7.0% disagreed. 24.3% strongly agreed to that and just 0.9% strongly disagreed.

Question 3: Employees are always willing to help customers: 40.0% agreed to this and 7.0% disagreed. It is worthy of note that 27.8% strongly agreed that employees are always willing to help while 0.9% strongly disagreed.

Question 4: Employees are never too busy to respond to customers’ request: 36.5% agreed to this statement and 8.7% disagreed. In the same vein, 21.7% strongly agreed to that and 2.6% strongly disagreed.

Q14. Assurance

<table>
<thead>
<tr>
<th>Answer options</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Response count</th>
</tr>
</thead>
<tbody>
<tr>
<td>The behaviour of employees instils confidence in customers</td>
<td>27</td>
<td>58</td>
<td>23</td>
<td>7</td>
<td>0</td>
<td>115</td>
</tr>
<tr>
<td>Customers’ service requests are duly followed up</td>
<td>15</td>
<td>56</td>
<td>29</td>
<td>13</td>
<td>2</td>
<td>115</td>
</tr>
<tr>
<td>Employees providing services are polite and respectful</td>
<td>30</td>
<td>51</td>
<td>24</td>
<td>8</td>
<td>2</td>
<td>115</td>
</tr>
<tr>
<td>Employees in my service provider are knowledgeable enough to answer customers’ questions</td>
<td>29</td>
<td>53</td>
<td>23</td>
<td>9</td>
<td>1</td>
<td>115</td>
</tr>
</tbody>
</table>
The service quality dimension ‘Assurance’ from figure 4.28 above comprises of four items. These questions are structured to unmask the level of satisfaction customers get from mobile providers.

Question 1: The behaviour of employees instills confidence in customers: 50.4% believed in this statement and 6.1% disagreed. 23.5% strongly agreed while none of the respondents strongly disagreed to the statement.

Question 2: Customers’ service requests are duly followed up: 48.7% were in agreement with the statement while 11.3% disagreed. 13.0% strongly agreed and just 1.7% strongly disagreed with the statement.

Question 3: Employees providing services are polite and respectful: 44.3% agreed to this statement while 7.0% disagreed, with 26.1% in strong agreement and 1.7% in strong disagreement with the statement.

Question 4: Employees in my service provider are knowledgeable enough to answer customer’s questions: while 46.1% agreed with the statement, 7.8% disagreed, with 25.2% strongly in agreement and 0.9% strongly in disagreement.

Q15. Empathy

<table>
<thead>
<tr>
<th>Answer options</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Response count</th>
</tr>
</thead>
<tbody>
<tr>
<td>My provider gives individual attention to customers</td>
<td>28</td>
<td>59</td>
<td>20</td>
<td>7</td>
<td>1</td>
<td>115</td>
</tr>
<tr>
<td>Employees in my service provider understand specific needs of their customers</td>
<td>27</td>
<td>47</td>
<td>28</td>
<td>12</td>
<td>1</td>
<td>115</td>
</tr>
<tr>
<td>My service provider has customers best interest at heart</td>
<td>15</td>
<td>32</td>
<td>47</td>
<td>14</td>
<td>6</td>
<td>115</td>
</tr>
</tbody>
</table>

Answered question 115
Skipped question 0

Figure 4.27: Table for dimension-Assurance

Figure 4.28: Chart for dimension-Assurance

Figure 4.29: Table for dimension-Empathy
The service quality dimension ‘Empathy’ from figure 4.30 above comprises of three items. These items will measure customers’ perception of service from the mobile phone providers.

Question 1: My provider gives individual attention to customers: 51.3% agreed with the statement while 6.1% disagreed. 24.3% are in strong agreement and only 0.9% in strong disagreement.

Question 2: Employees in my service provider understand specific needs of their customers: while 40.9% were in agreement, 10.4% disagreed with the statement. 23.5% were in strong agreement and 0.9% in strong disagreement.

Question 3: My service provider has customers’ best interest at heart: 28.1% agreed with this statement while 12.3% disagreed, with 13.2% strongly in agreement and 5.3% strongly in disagreement.

**Q16. Network Aspect**

<table>
<thead>
<tr>
<th>Answer options</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Response count</th>
</tr>
</thead>
<tbody>
<tr>
<td>My service providers’ network has excellent voice quality</td>
<td>9</td>
<td>37</td>
<td>21</td>
<td>39</td>
<td>9</td>
<td>115</td>
</tr>
<tr>
<td>My service provider has wider network coverage</td>
<td>8</td>
<td>36</td>
<td>12</td>
<td>41</td>
<td>18</td>
<td>115</td>
</tr>
<tr>
<td>There are no call drops in my service provider</td>
<td>6</td>
<td>22</td>
<td>24</td>
<td>40</td>
<td>23</td>
<td>115</td>
</tr>
</tbody>
</table>

Answered question 115

Skipped question 0

**Figure 4.31**: Table for dimension-Network aspect
The service quality dimension ‘Network aspect’ from figure 4.32 above comprises of three items. These items will measure customers’ perception of service and their loyalty to the mobile phone providers.

Question 1: My service providers’ network has excellent voice quality: Interestingly, 32.2% of respondents agreed to the statement while 33.9% disagreed. 7.8% strongly agreed and 7.8% strongly disagreed.

Question 2: My service provider has wider network coverage: The percentage of respondents that agreed to the statement was 31.3% while 35.7% disagreed. 7.0% strongly agreed and 15.7% strongly disagreed.

Question 3: There are no call drops in my service provider: 19.1% agreed to this statement while 34.8% disagreed, with 5.2% strongly in agreement and 20.0% strongly in disagreement.

### Q17. Convenience

<table>
<thead>
<tr>
<th>Answer options</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Response count</th>
</tr>
</thead>
<tbody>
<tr>
<td>My service provider has sufficient offices in different parts of Ireland</td>
<td>33</td>
<td>46</td>
<td>22</td>
<td>10</td>
<td>4</td>
<td>115</td>
</tr>
<tr>
<td>My service provider has toll-free/low cost numbers, websites, etc for clarification of problems &amp; checking a/c status by customers</td>
<td>30</td>
<td>53</td>
<td>17</td>
<td>14</td>
<td>1</td>
<td>115</td>
</tr>
<tr>
<td>It’s easy to pay bill to my service provider</td>
<td>33</td>
<td>54</td>
<td>14</td>
<td>12</td>
<td>2</td>
<td>115</td>
</tr>
<tr>
<td>The opening hours in my service provider are convenient to customers.</td>
<td>20</td>
<td>58</td>
<td>18</td>
<td>15</td>
<td>3</td>
<td>115</td>
</tr>
</tbody>
</table>

Answered question 115

Skipped question 0

### Figure 4.33: Table for dimension-Convenience
The service quality dimension ‘Convenience’ from figure 4.34 above comprises of four items. These items will measure customers’ perception of service from the mobile phone providers.

Question 1: My service provider has sufficient offices in different parts of Ireland: 40.0% agreed to this statement and 8.7% disagreed. On the other hand, while 28.7% strongly agreed, only 3.5% strongly disagreed.

Question 2: My service provider has toll-free/low cost numbers, websites etc for clarification of problems & checking accounts status by customers: 46.1% of the respondents agreed to this statement while 12.2% disagreed. 26.1% strongly agreed and just 0.9% strongly disagreed.

Question 3: It’s easy to pay bill to my service provider: 47.0% agreed while 10.4% disagreed to the statement. In the same vain 28.7% strongly agreed and 1.7% strongly disagreed.

Question 4: The operating hours in my service provider are convenient to customers: while 50.9% of the respondents agreed to this statement, 13.2% disagreed. 17.5% on the other hand strongly agreed and just 2.6% strongly disagreed.

**Q18. Loyalty**

<table>
<thead>
<tr>
<th>Answer options</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Response count</th>
</tr>
</thead>
<tbody>
<tr>
<td>I will continue using this service provider</td>
<td>17</td>
<td>32</td>
<td>27</td>
<td>33</td>
<td>6</td>
<td>115</td>
</tr>
<tr>
<td>Even when I want to have more connections, I will stick to my service provider</td>
<td>14</td>
<td>20</td>
<td>31</td>
<td>37</td>
<td>13</td>
<td>115</td>
</tr>
<tr>
<td>No matter the cost of using other providers, I will continue using my current provider</td>
<td>4</td>
<td>18</td>
<td>34</td>
<td>37</td>
<td>22</td>
<td>115</td>
</tr>
<tr>
<td>I will surely recommend my service provider to friends/relatives</td>
<td>7</td>
<td>27</td>
<td>28</td>
<td>26</td>
<td>26</td>
<td>115</td>
</tr>
</tbody>
</table>

Answered question 115

Skipped question 0
The service quality dimension ‘Loyalty’ from figure 4.36 above comprises of three items. These items will measure customers’ perception of service and their loyalty to the mobile phone providers.

Question 1: I will continue using this service provider: Interestingly, 27.8% of the respondents agreed to this statement while 28.7% disagreed. 14.8% strongly agreed and 5.2% strongly disagreed.

Question 2: Even when I want to have more connections, I will stick to my service provider: 17.4% agreed and 32.2% disagreed to this statement. 12.2% strongly agreed while 11.3% strongly disagreed.

Question 3: No matter the cost of using other providers, I will continue using my current provider: While 15.7% agreed to this statement, 32.2% disagreed with only 3.5% in strong agreement and 19.1% in strong disagreement.

Question 4: I will surely recommend my service provider to friends/relatives: 23.7% were in agreement with the statement and 22.8% in disagreement. In the same vain 6.1% strongly agreed and 22.8% strongly disagreed.

### Q19. Pricing

<table>
<thead>
<tr>
<th>Answer options</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Undecided</th>
<th>Disagree</th>
<th>Strongly disagree</th>
<th>Response count</th>
</tr>
</thead>
<tbody>
<tr>
<td>The prices of phones/tariffs and other products &amp; services in my service provider are affordable</td>
<td>8</td>
<td>36</td>
<td>25</td>
<td>36</td>
<td>10</td>
<td>115</td>
</tr>
<tr>
<td>It’s easy to understand the prices in my service provider</td>
<td>11</td>
<td>29</td>
<td>14</td>
<td>47</td>
<td>14</td>
<td>115</td>
</tr>
<tr>
<td>The prices in my service provider are competitive</td>
<td>8</td>
<td>30</td>
<td>25</td>
<td>31</td>
<td>21</td>
<td>115</td>
</tr>
<tr>
<td>I am happy with the prices in my service provider</td>
<td>6</td>
<td>29</td>
<td>18</td>
<td>43</td>
<td>17</td>
<td>115</td>
</tr>
</tbody>
</table>

Answered question 115
The service quality dimension ‘Pricing’ from figure 4.38 above comprises of four items. These items will measure customers’ perception of service and their loyalty to the mobile phone providers.

Question 1: The prices of phones/tariffs and other products and services in my service provider are affordable: 31.3% of the respondents agreed to this statement while exactly same 31.3% disagreed. 7.0% strongly agreed and 8.7% strongly disagreed.

Question 2: It’s easy to understand the prices in my service provider: 25.2% were in agreement with this statement and 40.9% in disagreement. In the same vain 9.6% strongly agreed while 12.2% strongly disagreed.

Question 3: The prices in my service provider are competitive: 26.1% agreed while 27.0% disagreed. On the other hand, 7.0% strongly agreed and 18.3% strongly disagreed.

Question 4: I am happy with the prices in my service provider: 25.7% of the respondents agreed to this statement and 38.1% disagreed. 5.3% strongly agreed while 15.0% strongly disagreed.

**Interpretation: cross-tabulation of research findings**

Cross tabulation which is interchangeably used as contingency table or composite score is defined as a technique for summarising data from two or more variables so that specific values can be read (Saunders et al., 2007). Paul Szwarc (2005) argued that many customer satisfaction and loyalty surveys these days use cross tabulation for tracking and reporting their results. These cross tabulation is based on a combination of results from several questions. He went further to say that it therefore contains data about current perceptions of service, advocacy and loyalty (where loyalty is represented as future purchase intention. Customers who perceive higher levels of service quality (and satisfaction) will demonstrate greater commitment to the organisation and therefore repurchase behaviour and loyalty Fornell (1992); Steenkamp (1989); Boulding et al. (1993). However, as with the word ‘quality’, the meaning of satisfaction has evolved to imply gratification and fulfilment (Gabbott, M. and Hogg, G. 1988). See also 2.2.1

The researcher believes that mere asking a customer whether he is satisfied with the services from a service provider is simply a tip of the iceberg and wallows in ambiguity. This is because the researcher is of the opinion that several factors may determine how satisfied a customer is, hence the use of cross tabulation of relevant variables in proving and disproving the research hypotheses.

Customer perception of service in the tangibles dimension was positive as sizeable number of respondents indicated high level of satisfaction on the three items/questions; “do you think
your service provider has up-to-date equipment”; “the physical facilities at my service provider are visually appealing”; “the employees at my service provider appear neat and well dressed”. See 4.1.2, (Q6, Q7, Q8)

On the reliability dimension, the satisfaction derived by customers as highlighted in the findings (See 4.1.2- Q9, Q10, Q11, Q12) is a very positive one in comparison with the negative responses. Majority of the respondents accepted that their service providers are reliable and could be completely trusted. This positive response rating was based on the four items/questions: “my service provider delivers on its promises”; “my service provider shows a sincere interest in solving my problem”; “I trust my service provider”; “my service provider keeps accurate records”.

Cross tabulation of variables

Responsiveness dimension and Loyalty

The relationship here between customer satisfaction using responsiveness dimension and loyalty yielded a positive result (see appendix 4). This rosy relationship was evident from strong customer loyalty using one question on loyalty “I will continue using this service provider”. Customers’ response clearly showed that from a total of four responsiveness questions asked, customers’ loyalty was reasonably high.

Assurance dimension and loyalty

Customers’ perception of service using assurance dimension with one loyalty question “I will continue using this service provider” is everything but pessimistic. There is a clear agreement based on the response that customers are satisfied with the services they receive from their providers (see appendix 5). A high percentage of respondents agreed that they would continue using their providers based on the four questions asked.

Empathy dimension and loyalty

A high percentage of respondents (see appendix 6) expressed a strong agreement that the service they receive from their providers is good. This was based on the cross tabulation of the three questions from empathy dimension with loyalty. The loyalty question, “I will continue using this service provider” was used in the cross tabulation.

Convenience dimension and loyalty

There was a constructive optimism and confidence by respondents about the satisfaction they get from their mobile providers. A high number of respondents (see appendix 7) agreed that they will continue using their service providers based on the four questions asked.

H1: Customer satisfaction has a significant influence on loyalty.

Anderson and Sullivan (1993) argued that higher levels of customer satisfaction can lead to a reduction of the perceived benefits of alternative suppliers and hence to higher repurchase intentions. Johnson and Sirikit (2002) from their research equally found a link between satisfaction and loyalty when they argued that, service is a form of attitude which is related to satisfaction and also leads to consumer loyalty. From the analysis of relationships between variables above, the researcher has found out that the six dimensions (tangibles, reliability, empathy, and convenience) when compared/cross-tabbed with loyalty showed a very positive result. This was very clear that when customers are satisfied, their level of loyalty increased. The above hypothesis was therefore supported by the research findings.

Network aspect dimension and Loyalty

Research findings have revealed that customers’ perception of service has conspicuously changed from that of the previous six dimensions above. When the first question on network aspect was cross tabulated with the loyalty item, “I will continue using this service provider”, there was a 50/50 response. The cross tabulation of the second question on network aspect
with same loyalty question was positive because slightly more respondents agreed that they will keep using the service provider. When the third question on same network aspect was cross tabulated with the same loyalty item, it was negative because a higher number of respondents disagreed with the statement (See appendix 8).

From the research findings, the cross tabulation of the three questions on network aspect with the loyalty item, "Even when I want to have more connections, I will stick to my service provider” showed an interesting result (see appendix 8, 2nd table). All the three questions got negative responses. This means that respondents were not satisfied and disagreed with the statement. Also the cross tabulation of the three questions on network aspect with loyalty item, “no matter the cost of using other providers, I will continue using my current provider” (see appendix 8, 3rd table) equally showed that respondents were dissatisfied on the three questions. The research findings also disclosed that the cross tabulation of the three questions on network aspect with the loyalty item, “I will surely recommend my service provider to friends/relatives showed that: firstly, though more respondents agreed to the statement on the three questions, it should be noted that the difference between the agreement and disagreement was very infinitesimal. Secondly, this means that a reasonable number of respondents were also dissatisfied. (see figure appendix 8, 4th table).

H2: The higher the perceived network quality, the greater the level of loyalty from customers.

The research findings revealed that the higher the perceived network quality, the greater the level of loyalty (positive effect) on just two of the loyalty items “I will continue using this service provider”, and “I will surely recommend my service provider to friends/relatives”. The two remaining items of loyalty, “Even when I want to have more connections, I will stick to my service provider”, and “No matter the cost of using other providers, I will continue using my current provider” did not support the hypothesis. This means that the findings on the perceived network quality have a negative effect on these two items. Based on the above, the researcher could neither support nor disprove the hypothesis.

Pricing dimension and Loyalty

The perception of price has a positive effect on one loyalty item, "I will surely recommend my service provider to friends/relatives” (see appendix 9, 4th table) but on the other hand, it has a negative effect on one loyalty item, “Even when I want to have more connections, I will stick to my service provider”. (see appendix 9, 2nd table) The perception of price on the other two loyalty items, “I will continue using this service provider”, and “No matter the cost of using other providers, I will continue using my current provider”, is neither positive nor negative. (see appendix 9, 1st and 3rd table respectively).

H3: Price has a significant influence on customers’ perception of service from mobile providers in Ireland.

A link between price and customer perception of service was highlighted by Kollmann, (2000). Price according to him plays a vital role in telecommunication market especially for the mobile telecommunication service providers. He further argued that generally, price includes not only the purchase price but also the call and rental charges. A price dominated mass market leads to customers having more choice and the opportunity to compare the pricing structures of different providers. Therefore, the company that will offer lower charges, the more customers will commit themselves to the telephone networks, so more call minutes will be achieved (Kollmann, 2000). Hence from the findings, the researcher gathered that price has a significant influence on customers’ perception of service from mobile providers in Ireland on two items as mentioned above (both positive & negative effect). The hypothesis is therefore partially supported within the mobile phone providers in Ireland.
Conclusions and Recommendations/Limitations

Conclusion and recommendations

Although there are five major players in the Irish mobile phone market, (Vodafone, Meteor, 3 Network, E-mobile and Tesco- i.e. after the acquisition of Telefonica-O2 Ireland by 3-Network) the competition between them is more intense than ever. They compete not only in network quality by a large amount of investment in network extension and upgrading, but also in customer retention and acquisition by direct and indirect price reduction. Since the mobile phone market in Ireland is close to saturation point, continued innovation is vital to ensure market growth. This innovation is equally essential in the improvement of service quality.

The primary objective of this research is to explore the expectations and perceptions of service that customers receive from mobile phone providers in Ireland. The focus of this research work is to identify service quality gap(s) using nine modified SERVQUAL dimensions. To measure this service quality a five-point Likert type scale was used ranging from strongly agree, agree, undecided, disagree and strongly disagree. These nine dimensions are: tangibles, reliability, responsiveness, assurance, empathy, convenience, network aspect, loyalty and pricing.

The research findings have shown that six out of the nine dimensions, specifically, tangibles, reliability, responsiveness, assurance, empathy and convenience which have a total of 22 items/questions performed comparatively well in terms of achieving customer satisfaction. 21 out of these 22 items all scored above 50%, in their customer satisfaction rating (i.e. using ‘agree’ merged with ‘strongly agree’ scale) with just one item under empathy scoring below 50%. The remaining three dimensions of network quality, loyalty and pricing (with a total of 11 items/questions) all scored poorly and in some cases very poorly in the customer satisfaction rating. This means that customers are not satisfied with the level of service they received from these three dimensions.

One of the research objectives is ‘to explore the differences between expected and perceived service as experienced by users and to identify the service quality gaps using the modified SERVQUAL dimensions’. As mentioned above, a very high percentage of respondents were dissatisfied with the perceived service quality in terms of loyalty, network aspect and pricing. In other words, a very low percentage was satisfied therefore making the service quality gap wider. The research findings revealed that the highest quality gap was reported with these three dimensions. Another research objective is ‘to critically examine the effect of customer satisfaction on loyalty and retention’. Research findings showed that loyalty level was high when customers were satisfied with the service quality like on the six dimensions mentioned above. On the other hand, when the ‘loyalty dimension’ was cross tabbed with the items in the remaining dimensions of network aspect and pricing, the result clearly showed that customer satisfaction has a significant effect on loyalty. This is because loyalty level was very low as a result of poor customer satisfaction received by customers.

Overall, 56.09% of the respondents from the nine dimensions were satisfied with the services received from mobile providers, while 22.67% were dissatisfied leaving 21.24% undecided. This calculation was made firstly from getting the average percentage from the 33 items/questions merging ‘agree’ and ‘strongly agree’ to give 56.09%. The same parameter was used by merging ‘disagree’ and ‘strongly disagree’ to get 22.67%. The researcher is strongly of the opinion based on the findings that customers’ perception of service depends on the quality of service.

The researcher also recommends that though the nine dimensions of SERVQUAL used in this research are vital in measuring service quality, network quality is one of the most important drivers of the overall service quality. Service providers should as a matter of priority pay more emphasis on that and the researcher recommends network sharing by operators as a way to improve coverage for mobile phone users. Irish republic should open more doors to allow more foreigners to invest in the telecommunication industry. This
according to the researcher will not only create jobs but will also create an avenue for a healthy competition which in-turn leads to service improvements. The researcher is of the opinion that mobile providers in Ireland should not be divorced from the communication realities of the contemporary society. The mobile providers can achieve this by making policies and formulating strategies that are aimed at promoting and improving service quality in all ramifications. The researcher equally recommends that mobile providers in Ireland should carry out market research frequently in order to ascertain what customers need.

**Research Limitations and Future Directions**

One of the limitations in this research is that the questionnaire did not take into consideration the cultural variable of measuring customer behaviour intentions as highlighted by De Mooij, (2004). He noted that different value orientations cause variations in preferences for products and brands and that, values of both consumers and marketers are defined by their culture. (See 3.9.5 for reasons for not including culture). Due to time constraint for writing this research work, the researcher didn’t contact as many participants as planned for the pilot survey and this might affect the true representation. The researcher also discovered that most of the secondary data for research literature weren’t updated.

Also, since two of the three hypotheses tested are not strongly supported by the research findings, additional research which should examine the three dimensions of network aspect, loyalty and pricing is needed. This should examine these dimensions and the relationships with service quality in the Irish mobile industry. However, the modified SERVQUAL instrument used in the research is found to be dependable in measuring service quality of mobile telecommunications industry in Ireland.

**Self Reflection On Own Learning Performance**

The purpose of this chapter is not only to outline the whole learning process (s) applied by the researcher during the course of carrying out this research work but also to explore them. As research work is normally rigorous, the researcher will examine the challenges he encountered during this process. The researcher based on his internal thoughts, will convey the information involved in data collation and analysis in a written report which will inevitably contribute to future growth and development.

**Learning styles**

Learning style is a component of the wider concept of personality and there are five-principle model of the whole person that encompasses evolutionary design for human nature, dispositional traits, characteristic adaptations, self-defining life narratives, and culture/social contexts. Learning style falls into the categories of dispositional traits and characteristic adaptations where there are differences across individual humans but there are groupings of humans who have common or similar learning style characteristics (Mc Adams and Pals 2006). Advocates of learning style models (Claxton & Murrell, 1987; Coffield et al., 2004a, b) postulate that students learn in different ways.

Among the well-known and widely available learning style instruments is the one offered by David Kolb. Kolb published his learning style model in 1984 and this model gave rise to related terms such as Kolb’s experimental learning theory (ELT), and Kolb’s learning styles inventory (LSI). This experimental model defines learning as “the process whereby knowledge is created through the transformation of experience”. Learning is a holistic set of processes that are continuous, with a lesser emphasis on outcomes. Learning style is the “generalised differences in learning orientation based on the degree to which people emphasize the four modes of the learning process” (David Kolb, 1984).

The model asserts a four-mode or four-process learning cycle that covers and generally starts with Concrete Experience (CE), moving to Reflective Observation (RO), then to Abstract Conceptualization (AC), and finally to Active Experimentation (AE). Kolb includes this ‘cycle of learning’ as a central principle in his experiential learning theory, typically
expressed as **four-stage cycle of learning**, in which 'immediate or concrete experiences' provide a basis for 'observations and reflections'. These 'observations and reflections' are assimilated and distilled into 'abstract concepts' producing new implications for action which can be 'actively tested' in turn creating new experiences. Kolb says that ideally (and by inference not always) this process represents a learning cycle or spiral where the learner 'touches all the bases', i.e. a cycle of experiencing, reflecting, thinking, and acting. Immediate or concrete experiences lead to observations and reflections.

The researcher’s research voyage spiralled and touched all the bases as mentioned above. This is because the researcher’s pool of academic, professional knowledge supported by his general life experiences before the postgraduate programme (which is a subset of his concrete experience) have culminated into a natural flow pattern of ‘concrete experience’, ‘reflective observation’, ‘abstract conceptualization’, and ‘active experimentation’.

Kolb (1984) argued that everyone responds to and needs the stimulus of all types of learning styles to one extent or another - it's a matter of using emphasis that fits best with the given situation and a person's learning style preferences. He identified four learning styles:

**Diverging learning style:** These people are able to look at things from different perspectives. They are sensitive. They prefer to watch rather than do, tending to gather information and use imagination to solve problems. They are best at viewing concrete situations in several different viewpoints. They have broad cultural interest.

**Assimilating learning style:** The Assimilating learning preference is for a concise, logical approach. Ideas and concepts are more important than people. These people require good clear explanation rather than practical opportunity. People with this style are more attracted to logically sound theories than approaches based on practical value.

**Converging learning style:** People with a Converging learning style can solve problems and will use their learning to find solutions to practical issues. They prefer technical tasks, and are less concerned with people and interpersonal aspects. People with a Converging learning style are best at finding practical uses for ideas and theories. They can solve problems and make decisions by finding solutions to questions and problems.

**Accommodating learning style:** The Accommodating learning style is 'hands-on', and relies on intuition rather than logic. These people use other people's analysis, and prefer to take a practical, experiential approach. They are attracted to new challenges and experiences, and to carrying out plans. The figure below illustrates Kolb’s learning model.

![Kolb's experiential learning model](image)

**Figure 6.1:** Kolb’s experiential learning model


Honey and Mumford (1992) are among many who have built on this theory to inform training and learning design. Their learning styles inventory (LSI) identifies four main types of learner and of learning style-Activist, Reflector, Analyst and Pragmatist- and links them to the four stages of Kolb's learning cycle.

- **Activists-** ‘here and now’, gregarious, seeks challenge and immediate experience, open-minded, bored with implementation.
Reflectors-‘stand back’, gather data, ponder and analyse, delay reaching conclusions, listen before speaking, thoughtful
Theorists- think things through in logical steps, assimilate disparate facts into coherent theories, rationally objective, reject subjectivity and flippancy
Pragmatists- seek and try out new ideas, practical, down-to-earth, enjoy problem solving and decision-making quickly, bored with long discussions

There is arguably a strong similarity between the Honey and Mumford styles/stages and the corresponding Kolb learning styles. Honey and Mumford used different words to describe the stages of the learning cycle as follows:

Activist = Accommodating i.e. Active Experimentation
Reflector = Diverging i.e. Reflective Observation
Theorist = Assimilating i.e. Abstract Conceptualisation
Pragmatist = Converging i.e. Concrete Experience

From the above, the new improved Kolb’s learning styles are illustrated thus:

![Kolb's learning styles](http://www.businessballs.com/kolblearningstyles.htm)

**Figure 6.2: Kolb's learning styles**

As a pragmatist and an active learner, the researcher has used this learning style to find practical uses for ideas and theories. The researcher as a pragmatist simply means that he likes to experiment with new ideas, to simulate, and to work with practical applications. This learning style equally enables the researcher to solve problems and make decisions by finding solutions to questions and problems. By using the learning style questionnaire developed by Honey and Mumford (1986), the researcher was able to find out the most likely learning style that suits him. This pragmatic style of the researcher is reminiscent to the converging style which was developed by David Kolb (1984)

**Researcher’s self assessment**

**Educational Background-The Undergraduate Degree**

My graduation from secondary school was seen as a turning point in my life due to the envisaged challenges. The elasticity of my passion for Finance and Accounting grows to infinity and my appetite for continuous learning was unquenchable. In order to develop my analytical skills that will propel me into the future, I enrolled at the Enugu State University of Science & Technology, Enugu, Nigeria where I earned a bachelor’s degree in Finance. Nigeria is an ethnically diversified country and the cultural mix in the college gave me the opportunity to interact with people from different cultural and ethnic background.
Hofstede (1997, p.5), defines culture as “the collective programming of the mind which distinguishes the members of one group from another”. De Mooij, M (2004) argued that the concept of collectivism (where priorities are given to harmony, conformity, and close relationships within groups) is characteristic of Asia, much of South America and Africa. In this University, I was always providing my team members with ideas. I acquired some statistical, mathematical, technical and creative thinking skills after graduation which was of immense benefits.

My burning desire for exposure to the international business arena was inextinguishable. In order to accomplish this desire, I moved to Ireland and enrolled at Limerick Senior College where I earned a diploma in Manual & Computerised Accounting (where I was opportune to acquire basic presentation skills); and also certificate in Insurance from Insurance Institute of Ireland. The researcher is also a Master’s degree holder in Business Management from Liverpool John Moores University, United Kingdom.

Professional Background

I had several jobs after my undergraduate degree before going back for my postgraduate education. I worked as a: Finance officer in the FCDA, Abuja, Nigeria; Finance officer, Sheraton Hotel Abuja; Management consultant, Malpac Nigeria Ltd, Abuja; Manager, Niger-Links Hotel, Abuja; Night Auditor, Clarion Hotel Limerick, Ireland; Assistant Night Manager, Hilton Hotel Limerick; Customer Care Executive, o2 Communications Ireland; Retail Executive, Telefonica-O2 Ireland. The slight shift in career was an offspring of my childhood passion of linking the world in one global village through telecommunication. In Telefonica-O2, I was responsible for reaching out to people and using my communication skills to negotiate and get new customers which obviously developed my personal strengths. (See appendix 11). My job has exposed me to some of the vital professional skills needed for success like the effective time management, customer retention and people management.

Cognitive Business Management Skills

Starting my postgraduate education in Liverpool John Moores University was simply a continuum of my business management knowledge which gives me joy. This decision was necessary in order to acquire an in depth business, technical and theoretical knowledge. Though as a pragmatist and also an active learner my theoretical knowledge wasn’t low because of the human resources course I did in my undergraduate study. It also improved my critical thinking and analytical skills which will propel me towards achieving my professional ambition. Due to the avid interest I have for business management, I subscribed to some international financial magazines. This will enable me get first hand information and insight on the global business environment. I gained a lot of insights from the project management subject which I find very interesting as almost everything we do in business involves one type of project or the other. Although the start of my Master’s degree was not a bed of roses but resilience coupled with unalloyed determination thrived.

Critical Research Investigation Skills

My undergraduate/postgraduate degree and professional experience exposed me to research and investigative methods. The need for critical evaluation of ideas with scholarly referencing ability is of paramount importance and will be of great help in my future endeavours. During my postgraduate education my critical research and investigation ability was enhanced with the help of my creative thinking. One of my strongest skills is creative thinking which I hope to apply through the course of achieving my professional ambition.

Questionnaire design skill

Questionnaires usually form an integral part of descriptive and opinion related surveys and its importance in research work cannot be overemphasised. The questionnaire design skill is undoubtedly essential in the collection of primary data especially in the analysis of data.
Before the researcher started formulating questions to be included in a questionnaire, it became imperative to have clarity about the research question and intended objectives. The researcher also through the review of literature was able to find out the gaps in the research topic which obviously needed to be filled. The researcher observed that the only way to fill these gaps was to design an all-inclusive questionnaire that will provide answers to the research question(s).

The researcher prior to enrolling for the postgraduate programme had a minimal knowledge about different data collection techniques and the guiding research philosophy. The researcher has fully acquired this knowledge as a result of the research project. The critical review of literature done by the researcher and his creative thinking capability has added yet another academic arsenal to the researcher’s skills portfolio.

**Data Analysis skill, Business Models and Management Tools**

Coming from a Finance background is undoubtedly a perfect combination in achieving my professional ambition. The above qualification and experience have given me the needed data analysis skills and financial management competence which is required to manage the accounts of a company. One of the modules I took in my postgraduate programme was project management which is also a big boost especially when setting-up a business. This project management module gave me the opportunity for an in depth understanding of “Activity Sequencing”, including the determination of a critical path of a project via a network diagram which is vital in more complex projects in my career. During my postgraduate programme, I was exposed to the applicability of some marketing tools and models like Porter’s Five Forces, the SWOT analysis (See appendix 11) and PESTEL. Especially now that businesses are going global, the risk of failure could be eliminated by effectively making use of these tools in analysing the market environment. Equally worthy of mention is the in-depth case study analysis which I was taught in the strategic management course.

**Inter-Personal Skill Development**

Focused, resilient, introverted and highly self-esteemed personality, are some of the major characteristics of the researcher’s personality. Be that as it may, ‘others can’t be relied on’ and ‘insist on my view’ characteristics will fall into the negative aspect of my personality. Leadership does not exist in vacuum but also involves a combination of other factors. In order to climb my leadership ladder successfully, I was determined to remove those cog in the wheel of my progress. This can only be achieved by improving these negative traits mentioned above. In my work place, I was given the responsibility of co-ordinating and briefing staff members on current events every week. As a role model, I took the bull by the horn and started relying on others and also taking in others views, because a tree cannot make a forest.

**Future Application of Learning**

Improvement is an unending ingredient of life which the researcher will keep doing through frequent evaluation of his performance. As said before, change is the only constant and the postgraduate programme has given me the necessary insight to learn and change. Life is about continuous improvement hence my target skills tend to infinity. I believe that there is always room for improvement in all endeavours and class work and individual assignments are no exception. My avid interest in book writing and information security will surely make me to expand my knowledge towards these areas. Life is all about moving with time and following the trend of events/issues. 

Having successfully completed my Master’s degree, with a wife and three children involves a lot of sacrifices and compromises. Being able to pass through academic rigours in combination with family life and work has made me tougher and ever ready for the challenges in future. My postgraduate education has provided me with enormous pool of skills and
knowledge when making decisions and also to be critical in all spheres of life especially in business/management. I believe that the sky is my limit through lifelong and continuous improvement.

**Bibliography/References**


The Role of Community-Based Forest Management on the Awareness of Watershed Protection and Conservation

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Abstract

Watersheds play an important role in our ecological system especially to the communities surrounding it. In the Philippines, domestic, industrial water and irrigation systems were supplied by watersheds. However, not all watersheds are truly protected even though there are several community-based forest management programs implemented. Thus, this study tries to elicit the role of community-based forest management on the awareness of watershed protection and conservation.

In particular, it tries to 1) generate baseline data on the demographic, livelihood activities, resources used of the communities living within the watershed area of Calbayog Pan-as Falls Hayiban Protected Landscape (CPHPL); 2) determine the relationship of the respondents’ profile to their level of awareness of watershed and to their existing watershed protection and conservation practices; and 3) recommend programs and policy that would strengthen community-based forest management protection.

The study was conducted in the five upland communities of CPHPL, namely: Sitio Pena 2, Cango-maud, Danao 2, San Rufino and Cag-anahaw. A descriptive-survey was used to assess the relationship of awareness of watershed protection and demographic profile.

Results show that educational attainment has a significant relationship (0.05% level) to the level of awareness on watershed roles and functions in the environment among the upland communities. This is despite most of the respondents (56.5%) have obtained primary education.

This means, awareness of existing watershed protection and conservation practices helps educate the people about watershed conservation and protection. In fact, the presence of community-based forest management program made the community moderately aware (33.2%) about watershed protection.

Keywords: watershed, watershed protection, watershed conservation, forest

Introduction

Watersheds play an essential functional role in supplying water to every community (Postel & Thompson, 2005).

The Pan-as Hayiban Protected Landscape (CPHPL) provides water supply in Calbayog City with an area of 7,832 of which 5,000 Ha is deforested. PENRO reported that it is only 29% was rehabilitated which is alarming to the destruction of the watershed area that might affect the loss or shortage of water supply in the locality due to this reason.

Thus, this study tries to elicit the role of community-based forest management on the awareness of watershed protection and conservation.

Methodology

This study employed descriptive-survey method. Survey questionnaire was the primary tool used in gathering data. Questionnaire was extracted from the tools used by Habtamu (2011), Harrison (2006), and Wahab (2009). Researchers conducted schedule interview and actual field visit/observation in gathering data. Then, random sampling technique was used in calculating the sample size through the Slovin’s formula. Frequency, percentage, chi-square and pearson product-moment correlation were statistical tools used in treating and interpreting data.
Study site was the Calbayog Pan-as Hayiban Protected Landscape (CPHPL) and its five upland communities of the forest watershed area such as Sitio Peña 2, Canggomaod, Danao 2, San Rufino and Cag-anahaw. The site has a geographical coordinates between 125°25’00” longitude and 12°13’00” latitude. CPHPL is a mid-mountain forest habitat with its highest elevation of 690 meters and the lowest 100 meters above the sea level. The area contains two (2) ecosystem types, the terrestrial ecosystem and freshwater ecosystem.

Results/Findings

Demographic, Household Profiles of the Respondents and their Land-use Practices

Majority of the respondents (Table 1) were 61 years old and above (17.8%), female (76.4%), married (53.1%), and were elementary level (57%) only. Same observations were made by Dolom (2003) that most of the respondents were primary level only and most were married. However, in contrast to Dolom (2003), and Wahab and Adewumi, and Ojo (2014), male participated actively in the CBFM. In terms of the household profiles majority of the family has income below P 5,000 only (89.9%), with household members of 5-6 members (33%), their nature of employment was self-employed (43.7%) and primarily farming (66.5%) was the source of income of their household heads. This has similar results with the study of Harrison (2006), Wahab, et. al (2003). Most were not recipient of 4Ps (53.6%) and only 46.4% were members. Results implied that household had medium family size and farming (47.10%) was their means of livelihood. Moreover, farming (47.10%) was the primary source of living of the people and selling of timber products (22.57%) were the second in the livelihood activities of the upland communities. This indicates that some community people engaged in logging of the forest trees.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Categories</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>61 years old and above</td>
<td>55</td>
<td>17.8</td>
</tr>
<tr>
<td>Sex</td>
<td>Female</td>
<td>236</td>
<td>76.4</td>
</tr>
<tr>
<td>Civil Status</td>
<td>Married</td>
<td>164</td>
<td>53.1</td>
</tr>
<tr>
<td>Education</td>
<td>Elementary Level Only</td>
<td>175</td>
<td>57</td>
</tr>
<tr>
<td>Family Income</td>
<td>Below - 5,000</td>
<td>276</td>
<td>89.9</td>
</tr>
<tr>
<td>Number of Household Members</td>
<td>5 - 6 members</td>
<td>102</td>
<td>33</td>
</tr>
<tr>
<td>Nature of Employment</td>
<td>Firewood</td>
<td>226</td>
<td>75.6</td>
</tr>
<tr>
<td>Household Head Occupation</td>
<td>Farming</td>
<td>206</td>
<td>66.5</td>
</tr>
<tr>
<td>Additional Source of Income</td>
<td>No</td>
<td>260</td>
<td>84.4</td>
</tr>
<tr>
<td>Additional Source of Income from the Government (4Ps Program)</td>
<td>None</td>
<td>165</td>
<td>53.6</td>
</tr>
</tbody>
</table>
Table 2. Livelihood Activities of the Upland Communities

<table>
<thead>
<tr>
<th>Livelihood Activities</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farming</td>
<td>146</td>
<td>47.10</td>
</tr>
<tr>
<td>Selling of Timber Products</td>
<td>70</td>
<td>22.57</td>
</tr>
<tr>
<td>Sari-sari Store</td>
<td>45</td>
<td>14.52</td>
</tr>
<tr>
<td>Livestock</td>
<td>25</td>
<td>8.06</td>
</tr>
<tr>
<td>Selling of Non-timber Products</td>
<td>9</td>
<td>2.90</td>
</tr>
<tr>
<td>Hunting</td>
<td>4</td>
<td>1.29</td>
</tr>
<tr>
<td>Fishing</td>
<td>2</td>
<td>0.65</td>
</tr>
<tr>
<td>Beekeeping</td>
<td>2</td>
<td>0.65</td>
</tr>
<tr>
<td>Others</td>
<td>7</td>
<td>2.26</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>310</strong></td>
<td><strong>100.00</strong></td>
</tr>
</tbody>
</table>

The water source used were derived from falls/springs (51.9%); connected with SAMELCO to generate their electricity, and source of fuel in cooking was the firewood (75.6%). Harrison (2006) has same result that households obtained their fuel wood from the forest (Table 3). This means that the upland communities where dependent so much to the resources of the forests. Aside from this, they responded that their major resources used from the forest watershed area were food (12.3%), timber for construction of houses (9.8%), water for domestic uses (9.4%) and fuel wood (9.4%). It implies that upland communities obtained their basic needs from the forest (Table 4).

Table 3. Profiles on the Sources of Water, Electricity and Fuel of the Upland Communities

<table>
<thead>
<tr>
<th>Variables</th>
<th>Categories</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source of Water</td>
<td>Forest Reserved (falls/springs)</td>
<td>160</td>
<td>51.9%</td>
</tr>
<tr>
<td>Source of Electricity</td>
<td>SAMELCO</td>
<td>216</td>
<td>70.1%</td>
</tr>
<tr>
<td>Source of Fuel</td>
<td>Firewood</td>
<td>226</td>
<td>75.6%</td>
</tr>
</tbody>
</table>

Table 4. Resources Used of the Communities in the CPHPL

<table>
<thead>
<tr>
<th>Resources and Use of the Watershed</th>
<th>N</th>
<th>Percent</th>
<th>Percent of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>189</td>
<td>12.3%</td>
<td>64.9%</td>
</tr>
<tr>
<td>Timber for construction</td>
<td>151</td>
<td>9.8%</td>
<td>51.9%</td>
</tr>
<tr>
<td>Water for domestic uses</td>
<td>145</td>
<td>9.4%</td>
<td>49.8%</td>
</tr>
<tr>
<td>Fuel wood</td>
<td>140</td>
<td>9.1%</td>
<td>48.1%</td>
</tr>
<tr>
<td>Grass and Poles for housing materials</td>
<td>101</td>
<td>6.5%</td>
<td>34.7%</td>
</tr>
<tr>
<td>Medicinal plants</td>
<td>97</td>
<td>6.3%</td>
<td>33.3%</td>
</tr>
<tr>
<td>Irrigation water</td>
<td>74</td>
<td>4.8%</td>
<td>25.4%</td>
</tr>
<tr>
<td>Others</td>
<td>27</td>
<td>1.8%</td>
<td>9.3%</td>
</tr>
</tbody>
</table>

Note: Multiple Responses

On the other hand, the major land-use types employed by the upland communities in the CPHPL were vegetable cropping (29.6%), coconut planting (29.4%), intercropping (13.5%), and slash-and-burn farming (10.7%). Carig (2012) had the same result with the present study (Table 5). It means that the upland communities utilized the forestland into vegetable gardening which urged them to engage to slash-and-burn system of farming. This shows that CPHPL were somehow degraded due to these activities.

Table 5. Land-Use Type of the Calbayog Pan-as Hayiban Protected Landscape

<table>
<thead>
<tr>
<th>Land-use Type</th>
<th>N</th>
<th>Percent</th>
<th>Percent of Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vegetable Cropping</td>
<td>191</td>
<td>29.6%</td>
<td>67.7%</td>
</tr>
</tbody>
</table>
Coconut Planting/Area (copra) 190 29.4% 67.4%
Intercropping 87 13.5% 30.9%
Slash-and-burn Farming 69 10.7% 24.5%
Rice Cropping 51 7.9% 18.1%
Recreation 18 2.8% 6.4%
Grassland/Pasture 13 2.0% 4.6%
Agro-industrial 10 1.5% 3.5%
Mining/Quarrying 6 .9% 2.1%
Others 11 1.7% 3.9%

Note: Multiple responses

**Level of Awareness of Watershed and the Current Watershed Protection and Conservation Practices**

A majority of the respondents had “high awareness” on the nature and importance of the watersheds and of the CPHPL (Table 6) while most of them have “moderate awareness” on the protection and conservation practices of the watersheds (Table 7). This means that the upland communities were highly aware on the nature and importance of the watershed to environment and humans. However, in terms of the protection and conservation current practices, they have only moderately awareness on it. It means that they have knowledge and know-how in protecting and conserving of the watersheds but they were not practicing it due to their activities that contribute to the destruction of the watersheds condition. It further implies that the upland communities had an understanding of the community-based forest management program such as National Greening Program and Watershed Rehabilitation Project however, they don’t have full support to the programs due to their livelihood activities that hindered them to give their utmost support to the programs of the CBFM.

Based on the interview, among the five upland communities, there were only two (2) people’s organizations that were active: the CBFM projects implemented by the LGU, CENRO and PENRO, the Knights of Rizal Agricultural Endeavor Foundation, Inc of Sito Pena 2 and the Cag-anahaw Upland Farmers Association of Brgy. Cag-anahaw.

**Table 6. Awareness Level on Watershed and of the Calbayog Pan-as Hayiban Protected Landscape (CPHPL)**

<table>
<thead>
<tr>
<th>Statements</th>
<th>Moderately Aware</th>
<th>Highly Aware</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Calbayog Pan-as Hayiban Protected Landscape (CPHPL) is a forest reserved watershed area.</td>
<td>79 25.5</td>
<td>120 38.7</td>
</tr>
<tr>
<td>b. Calbayog Pan-as Hayiban Protected Landscape (CPHPL) is a water catchment basin of Calbayog City and its nearby municipalities.</td>
<td>79 25.5</td>
<td>119 38.4</td>
</tr>
<tr>
<td>c. Calbayog Pan-as Hayiban Protected Landscape (CPHPL) is the main water source of Calbayog City Water District (CCWD) and of the concessionaires in Calbayog City.</td>
<td>84 27.1</td>
<td>106 34.2</td>
</tr>
<tr>
<td>d. Calbayog Pan-as Hayiban Protected Landscape (CPHPL) is being protected by the community people, CENRO and LGU.</td>
<td>97 31.3</td>
<td>109 35.2</td>
</tr>
<tr>
<td>e. Watershed supplies water into the rivers, streams, falls and other tributaries.</td>
<td>96 31.0</td>
<td>129 41.6</td>
</tr>
<tr>
<td>f. Watershed is covered with trees, forest and with rich biodiversity.</td>
<td>102 32.9</td>
<td>115 37.1</td>
</tr>
</tbody>
</table>
g. Watershed provides livelihood opportunities to community people living within its range.  

<table>
<thead>
<tr>
<th></th>
<th>Moderately Aware</th>
<th></th>
<th>Highly Aware</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>f</td>
<td>%</td>
<td></td>
<td>f</td>
<td>%</td>
</tr>
<tr>
<td>104</td>
<td>33.5</td>
<td>96</td>
<td>31.0</td>
<td></td>
</tr>
</tbody>
</table>

h. Watershed helps maintain the balance of nature of the ecosystem.  

<table>
<thead>
<tr>
<th></th>
<th>Moderately Aware</th>
<th></th>
<th>Highly Aware</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>f</td>
<td>%</td>
<td></td>
<td>f</td>
<td>%</td>
</tr>
<tr>
<td>101</td>
<td>32.6</td>
<td>91</td>
<td>29.4</td>
<td></td>
</tr>
</tbody>
</table>

i. Watershed provides amenities and beautiful scenery to local people and tourists.  

<table>
<thead>
<tr>
<th></th>
<th>Moderately Aware</th>
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<th>Highly Aware</th>
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</thead>
<tbody>
<tr>
<td>f</td>
<td>%</td>
<td></td>
<td>f</td>
<td>%</td>
</tr>
<tr>
<td>117</td>
<td>37.7</td>
<td>84</td>
<td>27.1</td>
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</tbody>
</table>

j. Watershed helps prevent soil erosion, landslide, flash floods and others calamities.  

<table>
<thead>
<tr>
<th></th>
<th>Moderately Aware</th>
<th></th>
<th>Highly Aware</th>
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</thead>
<tbody>
<tr>
<td>f</td>
<td>%</td>
<td></td>
<td>f</td>
<td>%</td>
</tr>
<tr>
<td>83</td>
<td>26.8</td>
<td>135</td>
<td>43.5</td>
<td></td>
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</tbody>
</table>

**Table 7. Awareness Level on the Current Watershed Protection and Conservation Practices**

<table>
<thead>
<tr>
<th>Statements</th>
<th>Moderately Aware</th>
<th>Highly Aware</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Community people involves in the tree planting activities or reforestation program.</td>
<td>93 30.0</td>
<td>134 43.2</td>
</tr>
<tr>
<td>b. Community people reports to the authority individuals engaging the illegal logging in the watershed area.</td>
<td>100 32.3</td>
<td>116 37.4</td>
</tr>
<tr>
<td>c. There are enough forest guards protecting the watershed area.</td>
<td>99 31.9</td>
<td>106 34.2</td>
</tr>
<tr>
<td>d. There are nursery house/seedlings of trees cared by the community people which are ready for planting activities.</td>
<td>93 30.0</td>
<td>104 33.5</td>
</tr>
<tr>
<td>e. There are programs /activities on Educational and Information Campaign (EIC) for Watershed Management and Protection conducted in the community.</td>
<td>110 35.5</td>
<td>90 29.0</td>
</tr>
<tr>
<td>f. Community people actively participate in the Educational and Information Campaign (EIC) for Watershed Management and Protection Programs/Activities.</td>
<td>115 37.1</td>
<td>84 27.1</td>
</tr>
<tr>
<td>g. There is a functional community-based forest management program in the area.</td>
<td>103 33.2</td>
<td>81 26.1</td>
</tr>
<tr>
<td>h. Community people discourage or do not practice slash-and-burn farming (kaingin) system that destroys the watershed condition.</td>
<td>102 32.9</td>
<td>84 27.1</td>
</tr>
<tr>
<td>i. Community people discourage or do not practice quarrying in the watershed area that destroys the watershed condition.</td>
<td>109 35.2</td>
<td>85 27.4</td>
</tr>
<tr>
<td>j. Community people and children value most the importance of watershed forest reserved area and avoid activities that destruct the watershed.</td>
<td>107 34.5</td>
<td>94 30.3</td>
</tr>
</tbody>
</table>

**Relationship of the Respondents’ Profile to their Level of Awareness of Watershed and to their Current Watershed Protection and Conservation Practices**

Most of the items that assessed the awareness level on the watershed had shown no significant relationships to their age, sex, civil status, education, income and household members. Except for the items, “CPHPL is being protected by the community people, CENRO, PENRO and LGU” has a significant relationship to age and “CPHPL is a forest watershed reserved area” has significant relationship to civil status. This means that most of them who were living for a long time in their communities are knowledgeable and so much
aware that CPHPL is a protected area and married couples have high awareness that CPHPL is a forest reserved area. However, in general the profiles of the respondents have no correlation to their awareness level on watershed and of the CPHPL. As to the relationship between the awareness on the current protection and conservation practices of the respondents and to their profile, result revealed that there were no significant relationships. However, the last item (j) had shown significant relationship to civil status. It implies that profile of the respondents has no direct association to their practices. Furthermore, the result divulged that everyone is encouraged to participate in the protection and conservation practices of the watersheds for its sustainability.

Accordingly, the variables involved in this study were somehow similar to other working variables used by Harrison (2006) and Wahab, et. al. (2014), which suggested that socio-economic, livelihood activities, land-use types, and community background were essential information for the preparation of forest watershed reserved areas management program/plan.

**Table 8. Relationship Between Profile and their Level of Awareness on Watershed**

<table>
<thead>
<tr>
<th>Level of Awareness on Watershed</th>
<th>Age</th>
<th>Sex</th>
<th>Civil Status</th>
<th>Education</th>
<th>Income</th>
<th>Household Income</th>
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*Correlation coefficient of 0.033*

**Table 9. Relationship between Profile and their Level of Awareness on Watershed**
Discussion/Conclusion

Summary of Findings

Most of the respondents were female and from the group of the senior citizens, married and had obtained an elementary level of education. Most of them belong to poverty line for having an income of below P 5,000, having 5-6 family members in every household, farming was the main source of income and livelihood. It also revealed that the basic needs such as water, fuelwoods, food, and timbers were taken from the forest. Major land-use types engaged by them was vegetable cropping that involved them in the slash-and-burn farming system.

In general, the result showed that the profiles of the respondents had no direct associations to their awareness level on watershed and of the CPHPL and to their protection and conservation practices. It means that whatever the status they have, it does not show any differences in the awareness level and protection and conservation of the watershed. It indicates that the upland communities should show our concern for the protection and conservation of the watershed and of our environment.

Limitations

This study explored only the five upland communities situated in the watershed forest reserved area of the locality. It measured the level of awareness of the community people on watershed and their current protection and conservation practices. Thus, it limits only on the assessment of the role of the community-based forest management on the awareness of watershed protection and conservation of the said study sites.

Recommendations

Thus, the researchers highly recommend that the government should strengthen the community-based forest management programs and collaborative partnership between the DENR, LGUs, POs and NGOs and institutions through capability building, community planning, and environmental education, and create an environment policy that would allow tenure community members to harvest planted trees in their farm. This is a way of encouraging local people to plant more trees because they know that they will benefit from it in the future. By and large, the government should provide community-based livelihoods other than agroforestry and reforestation projects to these communities.

References


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Improving Dining Hall Attendance among Female Students in Public Co-Educational Secondary Boarding Schools in Ghana – The Case of Aggrey Memorial Secondary School

Article by Freda Kabuki Ocansey
Head of Operations/Academic Affairs Chartered Institute of Bankers (Ghana)
Email: fredaocansey@yahoo.co.uk

Abstract

Management of Ghanaian public secondary boarding schools, particularly the co-educational ones is often faced with the problem of irregular attendance of female boarding students to the dining hall. Attendance to the dining hall is important because it ensures that the student is well fed and also benefits from the socialization and other experiences that attending dining hall sessions regularly bring.

This action research was undertaken to identify and put in place specific strategies that will encourage regular dining hall attendance of female boarding students of one public co-educational secondary school where the problem has been reported to exist. The intention was to use the findings and recommendations as a guide to management of schools who are experiencing a similar problem. A sample of 152 female second and third year boarding students of Aggrey Memorial Secondary School in Cape Coast, Ghana, was picked for each of the two tests, that is, the pre-intervention and the post-intervention tests. The sample was made up of 66 second year and 86 third year students. Both pre-intervention and post-intervention data were gathered using the same self-administered questionnaire. The pre-intervention test gathered evidence to ascertain the level of the problem whilst the post-intervention test demonstrated the extent to which interventions identified and applied helped to ameliorate the situation. Data gathered at both stages were converted into frequencies and percentages for analysis. The pre-intervention test revealed irregular attendance to dining sessions due to reasons which students saw as unattractive conditions in the dining hall. Post-intervention test saw a remarkable improvement in the situation. The study concluded that an attempt to make the dining hall a more pleasant and comfortable place to eat and socialize will encourage students to be more regular as required.

Keywords: Co-educational boarding schools, female student, dining hall attendance

Introduction

Most boarding schools in Ghana are above the basic school level. The school is required to provide three meals a day to students, and the menu is based on recommendations made by people familiar with dietetics, usually the domestic bursars and their assistants whose role at the schools is to ensure that within the constraints of funds, balanced meals are provided to students. Normally, schools are not able to provide luxurious meals but rather well balanced meals that will provide all the nutrients necessary for growth and good health in order for the students to benefit fully from the education being provided them.

The primary purpose of school feeding programmes is to provide food in order to allay hunger and improve the total energy and nutritional status of students. Being assured of his or her meals every day, students are enabled to settle down to learn, undistracted by hunger or the time to go to search for food to buy or even to cook. Another valuable role of the school dining hall session is its integral part of the total education programme of the school. Students are introduced to new foods, encouraged to overcome shyness and discomfort when eating with other students of the same or opposite sex, and also learn all kinds of table manners. In the typical African society where people normally eat with their fingers, using the appropriate cutlery correctly to eat a particular meal can initially be a real source of anxiety to the student.
who comes from a typical traditional home. Undoubtedly, therefore, dining hall sessions are very important in the school system.

Students’ irregular attendance to the dining hall is however, one problem facing most boarding school authorities today. It is to be expected that an assembly of people from different families and cultural background such as is found in the boarding house will reflect varied food habits.

The varying nature of people’s food habits makes the task of designing a group-feeding programme that will be suitable to all members of the group very difficult. This probably is the reason why students have all kinds of reservations about food service at school and are generally reluctant to eat regularly in the dining hall. Nonetheless, it is very important that all students eat from the dining hall. As Runyan (1976) notes, school-feeding programmes are a valuable educational experience, which students in the boarding house should benefit from.

Statement of the problem

Quite a good number of female boarding students in Aggrey Memorial Secondary School do not attend dining hall sessions regularly. The consequences are:
1. Students’ incessant desire for more money to buy food and other items which has led to frequent thefts in the dormitories.
2. Parents are under constant pressure to satisfy student’s frequent demands for pocket money and food items.
3. An increase in the worrying incidence of students spending money meant for school fees.
4. Waste of food served in the dining hall as students do not turn up to eat.

Purpose of the study

This study seeks to find out how best to improve dining hall attendance among female students in Aggrey Memorial Secondary School. The common excuse that students give for not going to dining is that the food is bad. This research is intended to find out whether there are other factors that account for the poor dining hall attendance among female boarding students of Aggrey Memorial Secondary School and to identify appropriate measures to adopt to address the problem.

Research questions

The research sought answers to the following questions.
1. How regularly do female boarding students attend dining sessions?
2. Do conditions prevailing in the dining hall encourage and attract students to go there regularly to eat meals served?
3. Would girls be punctual to the dining hall if they hear the dining bell at the girls’ section?
4. Would certain planned changes instituted in the dining hall improve girls’ dining hall attendance?

Significance of the study

Poor dining hall attendance by students is often blamed on the supposedly bad food served. Due to this, strategies adopted to improve dining hall attendance of students have centered on improving the quality, variety and quantity of food provided in the dining hall. Constraints of money have made it quite difficult for these strategies to be fully implemented and/or maintained. This study aims at encouraging school authorities seeking to improve dining hall attendance of students to place more emphasis on hygiene, comfort and maintaining a relatively pleasant cooking serving and eating area. Students are likely to be attracted to a dining hall that is clean, well ventilated, odourless, with reasonably comfortable tables and chairs. An improvement in the dining hall environment will also prevent the incidence of food contamination and the spread of disease.
Delimitation

The study is an action research aimed at addressing a particular problem at Aggrey Memorial Secondary School where the researcher was the Senior Housemistress. It was therefore confined to this school alone and was even narrowed further to female boarding students, since it was observed that they normally boycotted dining hall sessions.

Limitations

It was impossible to explore certain variables that were identified. Variables like the quality, quantity and variety of meals, which were dependent on the availability of money had to be excluded. The time meals were served and also the duration of meal times could not be explored due to the large size of student population. The fixed dining hall structure and space also made exploring different numbers on a dining table impossible. The number of students per table, which students thought was too many, could only be reduced by two because there was no space in the dining hall to place more dining tables. The investigation had to be limited to food service and the dining hall environment. Results of the study could therefore be affected by these limitations.

Review of literature

The importance of nutrition

Barasi and Mottram (1987) say that when one is asked the question “why do we eat” the initial reaction may be to answer “because of hunger”, or “to keep alive” (p.1). They explain that the body has a physiological need for food, and when deprived for a short period of time various reactions produce the sensation of hunger. Oke and Ojofeitimi (1984) give a more detailed account of why food is essential to the body. They note that food contains nutrients, which are essential to the health and well being of the body. The food that is eaten is broken down in the body into a number of important constituents, which are absorbed and circulated by the blood to the various organs that need the nutrients. If good food is not eaten in the right amounts then some of these nutrients will be missing, and their continued absence may lead to clinical symptoms, which could be disastrous, if there is no intervention. They claim further that food is stored in the body to supply energy for keeping the body alive and warm and say in addition that since life is a dynamic process, the body tissues are constantly being broken down and rebuilt, and it is the food we eat that supplies the materials for this rebuilding and repair. Simply, according to Barasi and Mottram (1987), every individual uses or loses a certain amount of every nutrient daily and this amount must be replaced from daily diet or from the body has stores of that nutrient. They note that if the nutrients are taken from what the body has stored, then they must be replaced through diet otherwise the body will become weak and tired.

Fleck and Munves (1964) believe that a good diet has a tremendous bearing upon a person’s vitality, health, emotional stability, and enthusiasm for life. They claim that while one who is well-nourished generally has a good posture, firm muscles, a clear complexion and eyes that sparkle, one who is undernourished is inclined to tire easily, to be easily irritable and to worry. Such a person generally lacks stamina and is more susceptible to illness. Dennison (1987) supports this claim by saying that regular scheduled and nutrient balanced meals are necessary for one to feel physically well. In his enumeration of the benefits of an adequate diet he mentions, among other things, increased longevity, improved physical, social and mental health and consequently improved lifestyle. Dennison (1987) mentions that research scientists have found that diet influences how much one learns or can learn and that poor diet has been cited as a contributing factors in the under achievement of school children. He notes further that what is known is that good mental and social health requires a constant supply of energy and nutrition to the brain and that when the brain is deprived of these essential elements, the mental processes are negatively affected. Fieldhouse (1982) in his article “Nutrition and Education of the Schoolchild” seems to support this idea when he says
that satisfactory nutritional status allows every child to display the best performance his genetic endowment will allow. Latham (1965) proposes that children attending preprimary school institutions like day-care centre and kindergartens should receive a daily meal consisting of food rich in those nutrients likely to be deficient in the home diet. He also suggests older pre-school children school also be given a properly balanced midday meal. To him, the nutritional needs of a school child are high indeed. As it is practically impossible for a school child to obtain adequate quantities of the right foods on only one or two meals taken at home before and/or after school, it is highly desirable that the child eats some food at school. He warns that the children on an inadequate diet will not only fail to grow properly but may also develop anaemia and other signs of malnutrition, and will not be able to benefit fully from the education being provided for them.

Fieldhouse (1982) says that the omission of breakfast seems to becoming increasingly common and regular snacking on non-nutritious foods like biscuits, cakes and sweets has become a characteristic of school going children. Runyan (1976) maintains that if public schools have managed to fit into the curriculum other subjects, such as sex education and information on drug abuse then nutrition, which is certainly equally important should also be taught.

The school feeding programme

Davis and Stone (1991) present a brief resume of the history of the school meals service in the United Kingdom. It started from before 1906 when meals were provided only to some school children on a voluntary basis by charities. In 1906, the Education (Provision of Meals) Act empowered local education authorities to provide and/or aid the provision of meals at reduced charges. The provision of school meals temporarily expanded on a great scale until the 1915s when it started declining because the government discouraged it. However, the government took fresh interest in it in the 1940’s and approved grants in 1943 to build and equip school canteens. The 1944 Education Act and the Provision of Milk and Meals Regulation, which followed, required that local authorities provided school meals in all public schools. Meal service in schools has been maintained in the United Kingdom up to date.

According to Fleck & Munves (1964), one of the first types of school lunch programmes in America consisted of one hot dish at noon particularly during the winter months. Parent groups provided this meal until about 1936 when the Department of Agriculture made surplus food available for school lunches. When in early 1943, the food demands of World War II depleted these surpluses, a cash assistance program for the school lunch programme was inaugurated by the same Department until 1946 when the National Lunch Act was passed. Gallo (1977) says that the purpose of the entire National Schools Lunch Programme was to provide part of the nutrient requirement to American children of pre-school and school going age. In 1968, another programme was begun through which the school child in some areas could also receive a breakfast at school. She cites Cleveland as one of the first school districts to put this breakfast programme into effect. With the passage of time, both breakfast and lunch were made available to all students, at their option, in the districts that operated the two programmes.

Latham (1965) says that in the past, in Africa, only a few day schools provided midday meals. Usually, food eaten at school consisted of either a midday school meal bought from the school market, a snack or a meal taken to school. In some African countries the government or local authority, as part of the educational system, provided the midday school meal, and it was either fully or partially paid for from the normal school fees. In other cases the midday school meal was paid for from special fees collected from pupils daily, weekly or per term. It was also quite common to find organizations within a country, which, from time to time, provided certain items like dried skimmed milk free for school feeding, thus reducing the overall cost. Some schools also kept vegetable gardens, poultry or orchards, which provided some of the ingredients for the midday meal.
In Ghana, many schools above the basic school level are boarding schools, where three meals are usually provided a day. Usually, the quantity of food is roughly designed to meet the likely minimum energy and the micronutrient needs of the particular age group in the school. Larger amounts of food are suggested for older than for younger children. The quantities of the more expensive protein-rich foods of animals origin like meat, fish and eggs and other items such as fat and beverages are however, not based mainly on the nutrient requirements of the individual student but rather, they reflect the likely budget of the institution. The quantities of protein-rich food provided by the school therefore depends on how rich the school is or how much support it receives from the government, the parents or charitable organizations.

According to Latham (1997) in Africa, just like in other parts of the world the main dish for school meals were usually based on what was normally eaten in the country and then small additions of beverages or foods that were locally liked or traditionally eaten were added. The main dish could be boiled rice, food prepared from maize like *kenkey* and *ugali* (maize porridge), food prepared from cassava like gari, plaintain or yam, if they were in season, with additions like tea, coffee, cocoa or other beverages. There were usually other products to make the food more tasty or palatable such as jam, margarine, groundnut paste, sugar, soups or some kind of sauce. The situation has not changed much in the schools presently. In boarding schools especially, there is a dining hall for students that is usually very close to the kitchen where the food is prepared. It is very much unlike the situation in the United Kingdom for example where food is produced in a central kitchen usually some miles away from where it is served. As Latham rightly points out, the method mostly used for serving food in most boarding schools in Africa is the family service style, which was used in schools in the United Kingdom until it was recently changed to self-service cafeterias. Communal dining is encouraged because it is thought to afford students the opportunity to socialize and learn to feel at ease among other children.

**The meal experience**

David and Stone (1991) define the meal experience as a series of events, both tangible and intangible that a customer experiences when eating out. This experience mainly begins when customers enter a restaurant and ends when they leave. Any feelings and impressions customers may have when they arrive, throughout their stay in the restaurant until they leave all together form the total meal experience. These series of events and experiences may be divided into two parts – the tangible aspects that is, their feelings about the food and drink served and then the intangible aspects such as service, atmosphere, cleanliness and hygiene. Axler (1979) refers to these two aspects of the meal experience as the primary and secondary components. All three writers note that in order to attract customers, the caterer needs to integrate both components of the meal experience. Equal emphasis must therefore be laid on both. Eckel (1985) puts it in a more straightforward way. Discussing ways by which college food service managers can convince students that college meals are really edible he says that they first of all need to serve a good variety of food. In addition, the food must be served in a clean and comfortable setting. He adds that ‘customers’ must be treated right. He says it is indeed obvious that students in a residence hall who eat in the same place continuously for as long as three or four months would definitely complain. The underlying reason he thinks is boredom and not necessarily the food that is served. Fortunately, he says, college food service can do several things to combat this inherent boredom of eating in the place for weeks on end. He mentions among these, serving interesting meals, simple decorations of the cafeteria, maintaining a high level of hygiene, comfortable furniture, proper lighting and ventilation, some form of soft music if possible and a less noisy and non-disruptive atmosphere. To him, it is of utmost importance that the operation of a food series is assessed on a regular basis in order to find out what its customers think about it, and what, if anything, they would like changed. He suggests therefore that student opinions must be sought regularly by using any of
the several different techniques available such as informal survey, written questionnaires, dish room test or the suggestion box.

Brown (1977) notes that it is essential to make a good diet both interesting and pleasurable. Meal times should be organized in such a fashion as to be as pleasant as possible, served in quiet and non-disruptive surroundings, with comfortable tables and chairs and a generally attractive atmosphere. He notes that food exploration should be encouraged so that individuals can extend their food preferences and recommends the regular evaluation of the (group) feeding program. By adopting these measures, Brown (1977) believes the boredom of eating at the same place and eating the same sort of meals can be avoided or lessened.

Hobbs (1974), Hayes (1977), Simpson (1977), and Furnivall (1977) emphasize the need to maintain a high level of hygiene in group feeding. Furnivall (1977) sees no good reason why both workers and customers in the welfare catering industry should not have surroundings as pleasant and as clean as those enjoyed by many other production workers. She says that uncomfortable, crowded, unhygienic and noisy conditions are not conducive to safety and good work, and are unattractive to customers. To Hayes (1977), hygiene is actually concerned with cleanliness both of the food being prepared and of the things, which come into contact with food such as surfaces, equipment, utensils and personnel. He notes that without suitable standards of hygiene the food can become grossly contaminated with micro-organisms and thus be unfit for human consumption. He concludes that uncleanness results in unattractive conditions, which contrarily drive customers away from an eating-place.

Hobbs (1974) on her part says that hygiene and the social skills of the service staff are so important that the members of the school meals services staff in the North Riding of Yorkshire are generally, trained to a high degree of efficiency. They are made to attend regular in-service training courses on hygiene and nutrition. She says though most of the members are not professionally trained, while on the job, they are encouraged to take locally arranged certificate courses on the hygienic handling of food. Finally, Simpson (1977) says that since the school meals service is so crucial to the health and growth of the school child, efficient routine cleaning and proper food storage must be essential parts of every institutional catering operation. To him, long-term kitchen hygiene can be facilitated by, among other things, improving methods of cleaning and cleaning regularly. He lists some benefits of clean premises of any eating-place. He says customers are attracted to the place; the catering staff is happier working in clean surroundings, there is a reduced possibility of food contamination and management stress is reduced.

Methodology

The research design

The research was undertaken to bring about a planned improvement in the dining hall attendance of female students of Aggrey Memorial Secondary School. It was therefore intended to first assess dining hall attendance among female students at the school and if attendance was found to be poor, identify and apply appropriate interventions that would improve the situation. The situation was assessed again using the same research instrument after a period of time to see whether the interventions had changed the situation.

Population

Aggrey Memorial Secondary School in Cape Coast has a total population of 2,340 students. The Accra-Takoradi Highway divided the school into two sections. The girls’ dormitories are on one side of the highway, while the boys’ dormitories, the classrooms, the administration block, and the dining hall are on the opposite side. There is a footbridge that connects the two sections of the school.

Female boarding students, who are the focus of this study, are about 1453 in number. They live in three houses. Each house is made up of girls in the three different year groups and the five different disciplines offered by the school.
All school activities take place at the boys section, so the girls walk about 330 metres from the girls’ section to join the boys for school activities like morning assembly, classes, church service and dining hall sessions. Due to the large population of students, there are two dining sessions. All third year students and one-half of the second students attend the first session. The rest of the second year and all first year students attend the second session. There are 69 tables in the dining hall. Each table seats 18 students, 9 on either side.

The second and third year students were used for the study since they have spent a reasonable length of time in the boarding house and are much more familiar with the problem being studied. They number approximately 916 and are on average in the 16 to 20 year age group, which could be described as the mid and late adolescent and early adult stage.

**Sample**

Out of the population of 916 second and third year girls, 152 were selected for either of the pre-intervention and post-intervention tests. This number represents 16.6% of the total population of second and third year female students. The girls’ houses were used as a basis for selection for two main reasons: (a) the study is centred on female boarding students only; (b) students in the different disciplines live in the houses, so that the sample will be made up of students in all disciplines.

**Sampling procedure**

The house lists of the three houses at the girls’ section of the school were used to select the sample. Each house list is made up of three groups of alphabetically arranged names, which are the names of the first, second, and third year students. The sampling was systematically obtained by selecting every sixth student from the lists of the second and third students of each house for both the pre-intervention and post-intervention data collection. Table 1 shows the distribution of the population among the three girls’ houses of the school.

**Table 1** Distribution of the Sample According to Classes and Houses

<table>
<thead>
<tr>
<th>House</th>
<th>Year</th>
<th>Population</th>
<th>Sample</th>
<th>% of population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Katherine Aikins</td>
<td>Second</td>
<td>170</td>
<td>28</td>
<td>16.4</td>
</tr>
<tr>
<td></td>
<td>Third</td>
<td>131</td>
<td>22</td>
<td>16.5</td>
</tr>
<tr>
<td>Segbefia</td>
<td>Second</td>
<td>163</td>
<td>27</td>
<td>16.6</td>
</tr>
<tr>
<td></td>
<td>Third</td>
<td>126</td>
<td>21</td>
<td>16.7</td>
</tr>
<tr>
<td>Lucille</td>
<td>Second</td>
<td>185</td>
<td>31</td>
<td>16.7</td>
</tr>
<tr>
<td></td>
<td>Third</td>
<td>141</td>
<td>23</td>
<td>16.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>916</strong></td>
<td><strong>152</strong></td>
<td><strong>16.6</strong></td>
</tr>
</tbody>
</table>

**The research instrument**

A self-administered questionnaire was used as the sole instrument for data collection. The questionnaire was made up of 10 items that were meant to gather information on students’ punctuality to the dining hall and also their opinion about conditions prevailing in the dining hall.

**Pre-Intervention data collection**

The pre-intervention data gathering was conducted purposely to establish the real state of the problem of the problem of poor dining hall attendance of female boarding students in Aggrey Memorial Secondary School. This information was necessary for the researcher to identify interventions that could be instituted in order to remedy the situation.

**Variables explored to investigate the problem:**

1. Audibility of the dining bell.
2. Cleanliness of the dining hall.
3. Availability of water in the dining hall.
4. Overcrowding of students per dining table.
5. Frequent and arbitrary punishments in the dining hall.
6. Houseflies in the dining hall.

Interventions applied after the pre-intervention test

1. The purchase of a siren: an automatic siren that is heard at the girls’ section was installed in the school. It replaced the bell, which was rarely heard at the girls’ section.
2. Provision of water in the dining hall: three 3000 liter water tanks were provided at the dining hall. Similarly, 138 pieces of four and a half liter water jars were provided, two for each table in the dining hall.
3. Control of flies in the dining hall: wire mesh was fixed on all openings to the dining hall to prevent flies and mosquitoes from entering. Food covers were also provided for covering the food after it has been served on the dining tables.
4. Reduction of students numbers on the dining tables: the number of students per table was reduced from 18 to 16, making it 8 on either side instead of 9.
5. Cleaning of the dining hall: two more pantry boys were engaged to help in the cleaning of the dining hall and the table ware. This raised the number to six. In addition, a timetable was drawn for SS1 students to take turns to scrub the dining hall twice a week – on Wednesdays and Saturdays.
6. Punishment during dining sessions: punishments like students being asked to stand on their seats or kneel down whilst their colleagues ate were banned. No prefects were to punish students during sessions.

Post-Intervention data collection

Two weeks after school re-opened for the third term of the 2010/2011 academic year, (and 14 weeks after all identified interventions were put in place) the same questionnaire was re-administered to students. This was done to find out to what extent the interventions administered had brought improvement in the dining hall attendance of the female students in Aggrey Memorial Secondary School.

Data analysis procedure

Data collected at both the pre-intervention and post-intervention stages were edited for consistency. The responses of the two groups of respondents were tallied separately to obtain frequencies of the various items on the questionnaire. These frequencies were totaled and their percentages were calculated and used for both the pre-intervention and post-intervention data analysis.

Results

Details of the results of both tests are presented in tables below for ease of understanding.

Table 2  Pre-intervention and post-intervention Responses on Dining Hall Attendance of female boarding students

<table>
<thead>
<tr>
<th>Response</th>
<th>Pre-intervention</th>
<th>Post-intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very regular</td>
<td>22</td>
<td>69</td>
</tr>
<tr>
<td>Regular</td>
<td>48</td>
<td>26</td>
</tr>
<tr>
<td>Not Regular</td>
<td>29</td>
<td>5</td>
</tr>
<tr>
<td>Rarely</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Never</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Approximately 30% of girls, which was more than a quarter of the sample population confirmed their attendance to the dining hall was not as regular as expected. Meals provided at the dining hall are the main source of nutrition for students in the boarding house and so
they are expected to be regular to eat in order to meet their nutritional requirements. The post-intervention test saw a decrease in the percentage of students who were not regular at the dining hall to 5%.

**Table 3** Pre-intervention and post-intervention Responses on whether or not girls hear the Bell/Siren which invites them to the Dining Hall

<table>
<thead>
<tr>
<th>Response</th>
<th>Pre-intervention</th>
<th>Post-intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always</td>
<td>0</td>
<td>88</td>
</tr>
<tr>
<td>Often</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Not often</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>Never</td>
<td>94</td>
<td>0</td>
</tr>
</tbody>
</table>

Girls hardly heard the bell that invited them to the dining hall. They had to guess when the dining hall bell would be rang. Consequently, many missed dining hall sessions because they did not hear the bell. The replacement of the bell with a siren which was louder, alerted girls when it was time to go to the dining hall and this contributed to the improvement of the number who attended dining hall sessions regularly.

**Table 4** Cleanliness of the Dining Hall Pre-intervention and post-intervention ratings of cleanliness of the Dining Hall

<table>
<thead>
<tr>
<th>Tableware and serving area</th>
<th>Cleanliness</th>
<th>Rating (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pre-Intervention</td>
<td>Post-intervention</td>
</tr>
<tr>
<td>Plates</td>
<td>clean</td>
<td>24</td>
</tr>
<tr>
<td></td>
<td>Not clean</td>
<td>76</td>
</tr>
<tr>
<td>cups</td>
<td>clean</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Not clean</td>
<td>82</td>
</tr>
<tr>
<td>ladles</td>
<td>clean</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>Not clean</td>
<td>45</td>
</tr>
<tr>
<td>tables</td>
<td>clean</td>
<td>81</td>
</tr>
<tr>
<td></td>
<td>Not clean</td>
<td>19</td>
</tr>
<tr>
<td>benches</td>
<td>clean</td>
<td>40</td>
</tr>
<tr>
<td></td>
<td>Not clean</td>
<td>60</td>
</tr>
<tr>
<td>floor</td>
<td>clean</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>Not clean</td>
<td>78</td>
</tr>
</tbody>
</table>

The investigation revealed that girls were not attracted to the dining hall because they felt it was not clean enough. Out of the six items rated, respondents found only two to be clean. The intervention of improving the cleanliness of the dining hall can be said to have contributed to the improvement of attendance.

**Table 5** Availability of Water in the Dining Hall Pre-intervention and post-intervention Responses on the Availability of Water in the Dining Hall

<table>
<thead>
<tr>
<th>Responses</th>
<th>Pre-Intervention (%) of Total</th>
<th>Post-Intervention (%) of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always</td>
<td>0</td>
<td>77</td>
</tr>
<tr>
<td>sometimes</td>
<td>0</td>
<td>23</td>
</tr>
<tr>
<td>Rarely</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Never</td>
<td>90</td>
<td>0</td>
</tr>
</tbody>
</table>

It was revealed that the frequent water shortage in the Cape Coast municipality made it difficult for the school to frequently provide enough water for students in the dining hall to drink and wash their hands and their cutlery, which they carried to the dining hall. The situation deterred students from attending dining hall sessions. The intervention of ensuring
the regular availability of water in the dining hall helped to improve the willingness of students to go to the dining hall to eat.

**Table 6** Number of students per Table Pre-intervention and Post-intervention Responses on the Number of Students Per Table

<table>
<thead>
<tr>
<th>Responses</th>
<th>Pre-Intervention (% of Total)</th>
<th>Post-Intervention (% of Total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too crowded</td>
<td>89</td>
<td>45</td>
</tr>
<tr>
<td>Just enough</td>
<td>19</td>
<td>55</td>
</tr>
<tr>
<td>Too few</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Findings confirmed that most girls found the dining table too crowded and uncomfortable. There was little room to sit to eat in comfort. The reduction of the number of students on a dining table by two saw an improvement in the rating of the situation. It is believed this also helped encourage girls to go to the dining hall.

**Table 7** Frequent punishments in the dining hall Pre-intervention and Post-intervention Responses on whether frequent punishments in the Dining Hall deterred students from going to eat

<table>
<thead>
<tr>
<th>Responses</th>
<th>Pre-Intervention (% of Total)</th>
<th>Post-Intervention (% of Total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>71</td>
<td>0</td>
</tr>
<tr>
<td>No</td>
<td>29</td>
<td>97</td>
</tr>
<tr>
<td>Indifferent</td>
<td>0</td>
<td>3</td>
</tr>
</tbody>
</table>

The study also revealed that the frequent and arbitrary punishment of junior students by prefects deterred students from going to the dining hall to eat. The intervention of banning punishments in the dining ensured comfort and assurance of freedom from being embarrassed before their colleagues. This improved dining hall attendance attendance. 15

**Table 8** Houseflies in the Dining Hall Pre-Intervention and Post-intervention Rating of Houseflies in the Dining Hall

<table>
<thead>
<tr>
<th>Response</th>
<th>% of Total</th>
<th>Pre-intervention</th>
<th>Post - intervention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too many</td>
<td>53</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Quite many</td>
<td>7</td>
<td>14</td>
<td>9</td>
</tr>
<tr>
<td>Few</td>
<td>0</td>
<td>14</td>
<td>83</td>
</tr>
<tr>
<td>None</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

It was found out that too many houseflies in the dining hall whilst students ate was of major concern. As many as 93% of respondents found houseflies in the dining hall to be too many. The post –intervention test revealed a remarkable reduction to 3% and hence an improvement in the comfort of the environment of the dining hall.

**Conclusion and recommendations**

The study has revealed that apart from the usual “dining hall food is bad” excuse that girls of Aggrey Memorial Secondary School give for not going to the dining hall, their irregular attendance of the dining hall could be partially blamed on certain conditions that students found unpleasant at the dining hall and the fact they could hardly hear the dining bell that was to prompt them to go to the dining hall. Though it was found that majority of the girls were regular to the dining hall, more than a quarter of the girls were not regular, a situation which called for attention.

When at the girl’s side, girls either had to rely on their watches or guess when all was set for them to go and eat. Naturally, girls could not be expected to be punctual to the dining hall if the bell prompting them could not be heard. Some would definitely be late and others would miss dining sessions altogether due to wrong timing. For this reason, it is very necessary that girls hear the sound of the dining bell at the girls’ side so that they will have no
excuse for being late or not going to dining. As the study has shown, most girls will go to the
dining hall if they know exactly when they should be there. It is quite logical to conclude that
most of the girls would not like to be late and risk being punished. One can conclude that
some girls sometimes stayed away from the dining hall when they are late.

It also became apparent that girls did not like food served in dirty plates and cups. Cleaning
the dining hall and the tableware regularly, as the study has revealed, is very essential. Girls
will naturally not like eating in the dining hall if they think the environment is dirty. It is
obvious that a clean, odourless and well-ventilated dining hall, with clean tableware will be
an asset to any school that wishes its students to enjoy dining hall sessions.

Girls also found the large population of houseflies in the dining hall quite unpleasant,
which simply implied that they did not enjoy eating in the dining hall. Certainly students will
not find dining sessions pleasurable if flies plague them when they are eating. It is therefore
not surprising that attendance improved when this situation was remedied.

It is also quite unpleasant for a student to be punished in the dining hall while his or her
colleagues are enjoying their meals. Some students find this situation extremely embarrassing
and therefore try as much as possible to avoid it. Students who are late to the dining hall,
those who do not have the appropriate cutlery to eat with, students who have not paid their
fees in full usually avoid going to the dining hall to avoid being punished.

That students avoided going to the dining hall partly because they did not like conditions
prevailing there is further emphasized by the fact that they felt the dining tables were too
crowded and also complained about the lack of water in the dining hall.

In sum, therefore, although students generally wanted to go to the dining hall to eat, the
unpleasant conditions kept them away. The study has shown that an attempt to make the
dining hall a more pleasant and comfortable place to eat and socialize will encourage students
to go there more regularly to eat. As Davis and Stone (1991), Brown (1977) and Eackel
(1985), point out, eating is not only about choosing or serving the kind of food and the variety
that one desires but also about comfort, and reasonably pleasant and friendly surroundings in
which meals are served and eaten. The study has revealed the equal importance of this usually
neglected side of the school-feeding programme. In an attempt to solve the problem of
irregular dining hall attendance among students, school administrators should aim at, among
other things, ensuring that mealtimes for students are organized in such a fashion that they are
as pleasant as possible, and the food served in a clean, quiet and non-disruptive
surroundings with comfortable and a generally attractive atmosphere.

**Recommendations**

Based on the findings of the study, the following recommendations are provided for
consideration. The dining hall could be made an attractive eating-place for students. The
school’s Dining Hall Committee should become more active. Its members need to pay regular
visits to the dining hall in order to acquaint themselves with whatever goes on there and to
make regular and relevant suggestions concerning the conditions pertaining in the dining hall
to the school administration. This will ensure welcomed improvements in the schools’ meals
service program. Student’s opinions about the dining hall must be sought from time to time,
because the most direct way to find out about a food service is to find out what its customers
think about it. Students must be asked what they would like changed in the dining hall.
Although they may raise impossible issues, they will also come up with useful suggestions.

Cleanliness of the dining hall and its surroundings must be insisted upon. The kitchen staff
must be educated and encouraged to ensure this at all times. The pantry boys must be properly
supervised to clean the tables and tableware thoroughly.

Due to the large population of students, teachers on duty should be in the dining hall during
meals to help the dining hall masters maintain order. Senior and prefects would not maltreat
the juniors in the presence of teachers. If it is necessary that a student is punished it could wait
until dining sessions are over. As much as possible, no student should be prevented from
eating his meals during sessions.
The dining hall must be regularly maintained. The walls must be painted from time to time. The wire gauze and food covers must be replaced promptly when they are torn. School authorities must always ensure that there are enough plates, cups, ladles, water jugs, and serving bowls in the dining hall. The water tanks must always be filled before meals. If the dining hall is maintained such that students enjoy eating there, there will be a tremendous improvement in the dining hall attendance of students.

Recommendations for further study

There are definitely other reasons apart from what have been explained in this study, for which girls do not attend dining hall regularly. The study could be carried out in other schools where conditions may be different from those in Aggrey Memorial Secondary School in order to find out what these other reasons are. It would also be interesting to find out whether the problem exists in single sexed schools, the extent to which it exists and the reason behind it. The findings from the study of the different schools could be compared and recommendations derived from the results of the comparative study for the general improvement of the school dining system to meet the expectations of all students.

If funds are available, for example, more variety of meals could be provided to students’ attitude towards dining hall attendance. Also in a school where the population is small, meal service times and the duration of meals could be explored.

There could also be a comparison of dining hall attendance among girls and boys in the boarding house. It is often assumed that boys are regular to the dining hall. This assumption could be verified and the reasons behind it unearthed. Findings could be used as a basis for restructuring the dining hall system in order to improve dining hall attendance among students.

References

The impact of measures when optimising sales processes using Scrum

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Abstract

The author used the Scrum management tool to optimise the processes of two sales teams. Different types of measures were used in two business units to define success in an agile improvement setup over 21 weeks. The team that focused on calls and activities performed better both quantitatively and qualitatively than the team that tracked leads and focused on financial values of contracts. The paper concludes that activity based measures is a pre-condition for success in a sales environment that will utilise SCRUM as an optimisation method.

Keywords Sales, Scrum, Measurement, Performance, Improvement

Introduction

One of the promises of SCRUM as a management method is that processes can be optimised through a persistent focus on the process constraints and clear process measures as the output of a system.

Scrum emerged as a management methodology, typically applied in a software environment, by creating a burn down on a set of features towards a release date.

Van Solingen, Sutherland and De Waard (2011) suggests that the use of SCRUM as a management method in sales, and in various other disciplines can benefit from the benefits given by SCRUM which include:

- Value prioritization;
- Self-steering, teams;
- Joint task definition; and
- Continuous improvement.

The author used the Scrum process as a tool to optimise the processes of two sales teams.

Different measures were used in a business to consumer sales team and a business-to-business sales team due to their apparently different nature. The team that focused on calls and quantities performed better than the team that tracked leads and focused on financial values of contracts.

The intent of this study is to establish a well-defined framework to inform the choice of measures that will be relevant in the use of SCRUM as a management method in a sales environment.

Methodology

In the specific company we investigated, there are a number of sales teams. Two teams were of particular interest as they focused on the same essential sales process, being outbound sales while one had a specific focus on retail or B2C and the other had a focus on corporate or B2B sales.

Over time each team had evolved a different mind-set in relation to the goals they set and reported differently on their sales progress.

The retail team specifically reported on activity based measures such as:

- Number of calls; and
- Number converted.

The corporate sales team more specifically reported on

- Deal sizes;
Stage of conversion; and
Values of deals.

A sales target was set for each team. Daily progress on the measures that were established was measured with the facilitator focusing on ways to improve the constraints that were creating real or perceived constraints in the sales team.

The purpose of the study was to investigate the significance of specific measures in determining the performance of a sales team, both of which uses a Scrum methodology for constant improvement.

This is motivated by the conference paper presented by Van Solingen, Sutherland and De Waard (2011) that stated the application of SCRUM to the sales environment, seems to be an important area of study and application. They noted that their study was the first formal documentation of the use of Scrum in the sales environment.

Teams were actively engaged in daily SCRUNG meetings facilitated by an experienced sales manager that completed three core process activities.

1) Review of metrics
2) Asking scrum questions that included
   a. What did we achieve yesterday
   b. What do we need to do to change the game
   c. What do we need to achieve today
3) There was then specific focus given to the actions that were identified as constraints or opportunities during the day including giving feedback to marketing, finance and other teams that may be impacted by specific sales initiatives.

Results on metrics were monitored through self-disclosure with occasional check back on actual statistics from other systems to verify the accuracy of claims. This is significant, as each person “owned” his or her own metrics.

Seven (7) cycles of three (3) weeks each were completed and the measurements below are presented over a 21-week period.

**Results and Findings**

The table below presents the change in key metrics between the two teams over a 21-week period.

<table>
<thead>
<tr>
<th>21 Week Metrics Summary</th>
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<tbody>
<tr>
<td><strong>Metric</strong></td>
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<tr>
<td><strong>Retail Team</strong></td>
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<tr>
<td>Outbound Calls</td>
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<tr>
<td>Inbound Calls</td>
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<tr>
<td>Conversion conversations</td>
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<tr>
<td>Deals converted per week</td>
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<tr>
<td>Conversion Ratio (Per Week) (*)</td>
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<tr>
<td>Weekly Revenues (*)</td>
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<tr>
<td>Annualised revenue</td>
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<td><strong>Corporate Team</strong></td>
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<tr>
<td>Number of clients</td>
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<tr>
<td>Pipeline revenue</td>
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<tr>
<td>Total Conversion</td>
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</tbody>
</table>
It must also be noted that there was no change in team size or any other variables during the duration of the study.

The retail team was much more effective as there was better activity and it is postulated that this led to better results. For the retail team, management was focused on improving activity and conversion ratios the optimization that was done improved these metrics. Management asked the questions on why activity was not optimized and this led to a slew of improvements in processes, layouts, materials and constraints that impacted on the activity levels of sales people.

From the data it can be seen that most metrics were affected positively, however it can be noted the conversion ratio in both teams decreased. This mediates the result as higher levels of activity may not result in the process leading to more conversions but may result in a faster conclusion on the potential of a client and a higher sales velocity. It must be noted that during the 21 week cycle that the conversion ratio was not discussed or optimized as part of the scrum process.

For the corporate team, management was focused on growing the size and quantity of potential deals and tracking the stage of progress in the “pipeline”. Many companies that were on the pipeline turned out not to want to buy and this created a shakeout. In the end conversion ratios became a lot smaller but in a sense more predictable. Management was focused on finding more companies to target and on improving methods to target them, while sales people were more concerned with estimating the size and value of the potential deal and less on the activity levels per stage.

The comparison of the results then asks the question: if the measures that were chosen would be more effective in determining the relative outcome of sales and that the inherent optimization that is postulated by a methodology based on the SCRUM management method, would work better on activity based measures in a sales environment than process based measures.

**Discussion/Conclusion**

**What must sales measure?**

The issue of what to measure in sales is still an area without definitive results. Moutot and Bascoul (2008) created a framework that showed there are direct linkages between sales calls and proposal generation on the key success determinants for sales that was relationship initiation and relationship maintenance. They also showed that focusing on quality (successful sales calls) and converted proposals lead to earlier relationship termination, which ultimately is expected to lower costs of attempting to convert non-profitable customers. This focus on quality practices makes sure that sales activity is more efficient.

By focusing on improving sales force planning and configuration, the Scrum methodology would thus have a higher relationship initiation and relationship maintenance focus. The choice of metrics in the Scrum process can lead to increase in relationship terminations as the choice of metrics influences the determination of “success” within the sales environment. This was the case in the corporate sales team as more clients were eliminated earlier during the process.

Jordan and Vazanna (2011) outlines that sales forces have four type of metrics
Another perspective on sales metrics is that if a clear win/loss (activity) ratio is established, any sales process can be made “predictable”. By focusing on the standardized process that leads to a specific win/loss ratio it can create clear stages through which a customer must go.

Through having this clear view of the sales process, this allows for the remainder of the sales activities to be optimized. Scrum can mediate this scenario through asking questions that outline what the factors are that contribute to higher win/loss ratios and assisting in sales force planning towards optimizing this ratio.

This is depicted in Table 3 which highlights that a potential prospect goes through a process based view of sales, which results in a converted sale. The SCRUM process would thus contribute to the process optimization by focusing on improving the activities in each of the process steps and thus leading to both a more productive and capable sales team.

**Why Scrum?**

SCRUM as a management method is that processes can be optimised through a persistent focus on the process constraints and clear process measures as the output of a system.

Sales is a system that takes a long time to perfect and is highly dependent on creating feedback on what customers want in the business.

Scrum was originally designed as a feedback system that creates multiple interaction points to creating shippable software within faster release cycles. The benefit of this approach in software development is that each phase or cycle has a clear and tangible output and that there is a focus on the most important aspect of the product development at any point in time.

They key characteristics of a scrum
- Self-organizing teams;
- Product progresses in a series of time-defined “sprints”;
- Requirements are captured as items in a list of “product backlog”;
- A central goal defines a “sprint”;
- Short (15 minute) daily stand-up and check-in meetings are used to give feedback on progress and monitor results;
- Each sprint is reviewed in a “retrospective” meeting that captures learning and sets goals for the next sprint.
- Every day a specific set of tasks are selected for focus towards the goal;
- Constraints are identified and actions implemented to remove these constraints;
- Uses generative rules to create an agile environment for delivering projects; and
- One of the “agile” processes.

Scrum works in sales where there is a need to define clearly what customers want and how to execute this better. It gives constant feedback to sales people on how they are doing in relation to goals and sets up competition and collaboration towards increasing effectiveness. “Plateaus” in sales can be addressed by creating minor incentives for breaking through to a next level and learning from one person or group can be applied to a larger group.

This creates a dynamic and vibrant environment where employees feel that there are administrative and procedural justice and that their input is valued. These factors combine to a healthy socio-technical environment that is one of the pre-conditions to a high-performance team.

**Scrum and sales measures**

This study highlights that the choice of measures in a scrum system is critical and that choosing activity based measures in a sales environment is likely to ensure that the factors that is in the control of the sales person is addressed. Focusing purely on pipeline and growth of sales potential is not adequate and creates a set of measures that reward the incorrect behaviour of sales people.

It is likely that a focus on conversion ratio is very critical measurement in this environment and that an increased focus on higher conversion would highlight why potential customers do not want to buy and what can be done to convert these more effectively.

**Limitations**

This is a small study of two teams over a 21-week period. What makes it unique is that various variables could be eliminated over the period due to the similarity of focus and development of both teams in a similar environment.

**Future directions**

A more comprehensive study with multiple measures and their relevance to the scrum method may yield a more comprehensive view of relevant measures and how they interact. Already the study has identified that a likely focus on activity measures with conversion ratios would yield positive impacts and identify more pertinent issues.

It would also be meaningful to test this in other sales environments to see if results are consistent.

**References**

The Importance of Result Based Management (RBM) and Challenges NGOCC Member Organisations Face in the RBM

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Introduction

Chapter one has focused on giving background of the study, significance, research objectives and questions, and limitation of the study. Furthermore, this chapter has provided statement of the problem upon which the research study has been anchored.

Background

Non-Governmental Organisations (NGOs) are generally considered to be playing an increasingly important role in international and national development. The ongoing support given to NGO’s by international and national donors can be seen as evidence that they are considered to be more effective than state-owned organisations in implementing and sustaining developmental programmes. It has further been seen that NGOs and their operations have been influenced by the “New Policy Agenda” which according to Edwards and Hulme (2000) is characterised by two theories. The first implies that NGOs have been enabled by governments to be private providers because of their supposed cost-effectiveness and their ability to more effectively reach the masses in remote areas where the government (public sector) cannot reach.

The second suggests that since NGOs are vehicles for democratisation they have a fundamental humanitarian role to fulfill which should counterbalance state power, protect human rights, open up communication channels and participation, and promote activism and pluralism. NGOs also play a critical role in building state accountability through lobbying for legislation on transparency, adherence to international commitments on human rights; monitoring and evaluation of government programmes through social audits and or participatory expenditure tracking system; and demanding answers from the states by questioning state institutions about the progress being made on the implementation of certain issues.

For instance in Zambia, NGOs which focus on governance issues question the state institutions such as Office of Auditors General and Anti-Corruption Commission about the steps or actions which are being taken against the individuals and public institutions with regards to mismanagement of public financial resources raised in the Auditors report on public expenditure for various government ministries.

More importantly NGOs play a critical role in building state responsiveness through identification and voicing the needs of vulnerable and marginalised citizens in the country. It is from this angle that NGOs are fundamentally different from state institutions in the program implementation and service delivery to the people in the communities. It not disputable that NGOs reach and provide services to the most vulnerable people in remote areas where government does not reach; and promote participation of the poor people in development process to take greater control over their own lives rather than an outcome of particular projects and or programmes (Norad, 2008).

The above stated roles of NGOs have led to the mushrooming of new ones, for instance Zambia had about 10,000 registered Civil Society Organisations in 2003. Furthermore, the adoption of the “New Policy Agenda” has motivated NGOs to scale-up their operations and programmes (Edwards & Hulme 2000). Arguably, NGOs are considered to be vehicles for “democratisation” hence they have become the preferred channel for service provision and the role of government organisations in development processes has often been deliberately
replaced. The growth and increase in number of NGOs in the recent years has, however, also meant increased competition for donor funding Ebrahim et al (2010) and the need for greater accountability and visibility not only at the local constituency level, but also internationally.

All the above factors as well as external factors such as the fast changing environment and increased globalisation have made the management of NGO operations very complex. This has forced the donors to adopt and introduce results-based management (RBM) to improve the effectiveness and accountability in the management, operations and implementation of programmes of NGOs. The RBM system is based on what is commonly referred to as a ‘life cycle’ where ‘results’ are central to planning, implementation, monitoring and evaluation, reporting and ongoing decision-making (Hailey and Sorgenfrei, 2004). By focusing on ‘results’ rather than ‘activities’, RBM helps NGOs to better articulate their programs and support for expected results and to better monitor progress using indicators, targets and baselines.

Results based reports also help the organisation(s), stakeholders and funders to better understand the impact that a given programme or project is having on the local population. NGOs have been striving harder to employ RBM procedures and principles in the programming. However, not all NGO’s have been equally successful at embracing Results-Based Management principles (Norad, 2008). There is often skepticism and inadequate capacities and skills with regard to the effectiveness of results-based management practices among NGOs.

Problem Statement

The donors have introduced the results-based management (RBM) to improve the effectiveness and accountability in the management, operations and implementation of programmes by NGOs (Norad, 2008). The results-based management has become mandatory among NGOs if they want to receive funding from potential donor/or funders. Mostly if not always the international and local donors in Zambia such as United States Agency for International Development (USAID), Zambian Governance Foundation (ZGF), Churches Association of Zambia (CHAZ) to mention but a few usually demand for established Monitoring and Evaluation system if the applied program is to be funded. In simple terms results-based management through Monitoring and Evaluation is one of the conditionality’s which most donors have put in place for NGOs to access the funding.

To the donors the introduction of results-based management is one way of promoting efficiency, effectiveness and holding the NGOs accountable to the resources awarded to them to achieve the results planned for in the project/or program. However results-based management practices among NGOs are generally believed to be ineffective due to the adoption of the wrong RBM strategies, particularly when inappropriately copied from other organisations and start being operationalised without taking into account of the existing knowledge level and skills among the existing staff (Britten 1998). It is not clear whether the importance of results-based management approach has been clearly explained to NGOs so that they can strive harder to incorporate them into programs at the inception.

- Furthermore, it is not clear about the challenges which NGOs face to implement the results-based management approach, and the support which donors provide to NGOs for them to effectively implement the results-based management approach is not known. All the factors discussed above have prompted the need to undertake this research study. Therefore, the aim of this research study is to investigate and understand the importance of the Result Based Management (RBM) in the Project Management and the Challenges Non Governmental Organisations’ Coordinating Council (NGOCC) Member Organisations (Non-Governmental Organisations-NGOs and Community Based Organisations) face in the RBM.
Objectives of the Study

General Objective

- To investigate and understand the importance of the Result Based Management (RBM) in the Project Management and the Challenges NGOCC Member Organisations (Non-Governmental Organisations-NGOs and Community Based Organisations) face in the RBM.

Specific Objectives

- To investigate the extent to which the donors have explained to NGOCC Member Organisations the importance of results-based management and the support which donors provide to NGOs to strengthen results-based management;
- To determine the extent to which NGOCC Member Organisations understand the importance of results-based management in their programs;
- To identify the challenges faced by NGOCC Member Organisations in the results-based management and interventions/recommendations to donors and NGOCC Member Organisations to help them improve their results-based management.

Research Questions

- To what extent do the NGOCC Member Organisations understanding on the importance of results-based management in the project management?
- What are the challenges faced by NGOCC Member Organisations in the results-based management in the project management?
- What support do donors provide to NGOCC Member Organisations to strengthen results-based management?
- What interventions should NGOCC Member Organisations and donors put in place to strengthen the results-based management;

Significance of the Research Project

- Findings of the research may help the donors (international and local) to understanding the support to provide NGOs to improve the results-based management in programming;
- The findings of the research would help NGOCC Member Organisations to understand the importance of results-based management in their projects they implement so that they strive harder to institutionalise the results-based management processes in their programming;
- These findings may help NGOs to design or come up with interventions to help them improve the results-based management of their projects they implement hopefully with the benefit of improving the performance of the projects and their accountability to the stakeholders in terms of resource use and impact of the projects they implement;
- Finally, this research study is very important for my program of study to be awarded a Master of Science in Management by Research at Texila American University.

Literature Review

Definition of Concepts

NGOs

Non-Governmental Organisations (NGOs) are defined differently by different individuals and there is no single agreed upon definition. NGOs are charitable and religious organisations that mobilise private funds for development, deliver services to the communities through community participation and involvement to improve the quality of life for people. However in this research study, NGOs will be defined as groups and institutions that are entirely or
largely independent from the government, and they are primarily humanitarian or non-profit making organisations (Edwards and Hulme, 2000).

**Results-Based Management, and Monitoring and Evaluation**

**Need for monitoring**

Monitoring is the routine continuous tracking of the key elements of project implementation performance that is: inputs (resources, equipment etc) activities and outputs, through recordkeeping and regular reporting (McCoy et al., 2005). It seeks to determine if the inputs, activities and outputs (immediate deliverables) are proceeding according to plan. Inputs to be tracked include financial resources, human resources, equipment used on the project and any other input that goes into project implementation. The financial resources are tracked with a budget and performance is analyzed by comparing planned expenditure against actual expenditure. Activities or processes are tracked using a schedule, which is planned schedule against actual schedule of the activities i.e. what activities have been done versus what should have been done according to the planned schedule.

Crawford and Bryce (2003) argued that monitoring is an ongoing process of data capture and analysis for primarily project control with an internally driven emphasis on efficiency of project. The authors define efficiency in this context as doing the right thing that is: efficient conversion of inputs to outputs within budget and schedule and wise use of human, financial and natural capital. This definition emphasizes the fact that monitoring is geared mainly to project control. This is in agreement with the operational definition that looks at project control as taking corrective action and making decisions pertaining to the project by the project manager during implementation.

Uitto (2004) defines monitoring briefly as a continuous function that aims primarily to provide management and stakeholders with early indicators of project performance of a project and progress (or lack thereof) in achievement of the results. Monitoring is seen as a continuous function as highlighted in the contextual definition of this research but it does not highlight what is tracked against what so as to be able to indicate performance. Nevertheless it emphasizes the fact that monitoring is very important in that it provides information to the management and stakeholders about performance. It also highlights the fact that monitoring is results oriented.

Tracking the planned implementation against the actual implementation is important in order to able to report on how the project is progressing and if there is need for corrective action and to facilitate decision making by the project manager during implementation (McCoy et al., 2005). Therefore there is need to determine whether the resources provided by the donors are being used efficiently and effectively, whether the projects are within schedule and to determine any problems that may be hampering the implementation. Determination of efficient management of resources is a factor of project monitoring. It is important as highlighted by all the authors above that there is dissemination of the monitoring information to the stakeholders.

The purpose of monitoring in summary is to:

a) Ensure that implementation is moving according to plans and if not the project manager takes corrective action, the control function of project management. The monitoring enhances project management decision making during the implementation thereby increasing the chances of good project performance (Crawford and Bryce, 2003). This function also aids early identification of problems before they get out of hand since it is continuous. This is very important in management of projects as it lessens the chances of crisis management since there is constant feel of the “project temperature”.

b) Facilitate transparency and accountability of the resources to the stakeholders including donors, project beneficiaries and the wider community in which the project is implemented. Monitoring tracks and documents resource use throughout the implementation of the project (Crawford and Bryce, 2003). This enhances accountability in that it facilitates the demonstration of the resource use throughout the implementation of the project.

4
c) Facilitate evaluation of the project. In a well-designed monitoring and evaluation system, monitoring contributes greatly towards evaluation. Information from monitoring feeds into the evaluation process.

**Need for evaluation**

Evaluation is the periodic (not continuous as the case with monitoring usually mid-term and at end of the project) assessment of an ongoing or completed project to determine its actual impact against the planned impact (strategic goal or objectives for which it was implemented) efficiency, sustainability, effectiveness (McCoy et al., 2005). There is also need to determine whether the set objectives were achieved and extent of achievement of the same plus capture any lessons learned from the implementation of the projects to aid future projects. This is a function of project evaluation.

Uitto (2004) argues that evaluations are systematic and independent. They are an assessment of an ongoing or completed project including its design, implementation and results. He further argued that evaluations assest the relevance, efficiency of implementation, effectiveness, impact and sustainability of the project.

**Assessing relevance** of a continuing project is important to justify continued investment of resources into the project, if found that the project is no longer relevant then funding can be stopped and funds channeled elsewhere. **Effectiveness** is defined as the extent to which the set project objectives were achieved and efficiency as how economically resources (inputs) were converted into outputs for completed or partially completed projects. While **efficiency** looks at how the project faired in terms meeting the set schedule and allocated budget.

**Sustainability** is defined as the continuation of the project to bear benefits to the beneficiaries long after the project has ended or the donors have withdrawn funding. It looks at probability of long-term benefits of project long after the project close (Jody and Ray, 2004). Sustainability is very important in that it is not prudent to have a lot of resources invested in a project whose benefits will be short lived. The design and implementation can be altered in order to increase the chance of sustainability. Sustainability has gained a lot of currency in the recent times, because the donors want to determine whether the project benefits will continue to accrue after they cease financing the project (PASSIA, 2004).

The Organization for Economic Cooperation and Development (OECD) (2002) definition as cited by Jody and Ray (2004) is in agreement with the above definition but adds that an evaluation should provide information that is credible and is useful and can be incorporated into decision making by both the implementers of the project and the donors who financed the project. IFAD (2004) states that evaluations should be as objective as possible so that the information provided is as credible as possible and is not questionable. Objectivity could be achieved by bringing in external consultants that were not involved in the project implementation but who should work in partnership with the project implementation officials. McCoy et al. (2005) are in agreement with other authors and the contextual definitional that evaluation assess the projects effectiveness in achieving its goals and in determining the relevance and sustainability of an ongoing project.

Binnendijk (2000) emphasizes the fact that evaluation compares the project impact with what was set to be achieved in the project plan and further argues that evaluation examines how the project impacts were achieved and what went wrong or right for the benefit of organizational learning. The emphasis of this approach to evaluation is on impact of the project after implementation. It does not recognize the midterm evaluations that tend to look at the continued relevance and sustainability of the project and the impacts that the project has had even before completion. Evaluations can be divided into two types depending on when they take place: formative and summative each is described below in detail.

**Formative evaluations**

Formative evaluations take place during the implementation of the project. They are mainly implementation process oriented, reviewing the overall performance of the project in
terms of input use, schedule of project and outputs. They also look at strengths, weakness, and challenges of the project and whether the continued project plan will be able to deliver the project objectives or it needs redesigning (PASSIA, 2004). This type of evaluation may also look at the continued relevance of the project and its sustainability. The aim is to improve the performance of the project during implementation (Binnendijk, 2000). Formative evaluations are sometimes called interim or midterm evaluations.

**Summative evaluations**

Summative evaluations are carried out at the end of the project with objective of determining how the project progressed, what went right and wrong and capture any lessons learned. Summative evaluations may also be able to determine the overall impact of the project and the extent to which the project achieved its objectives (Danida, 2005). Booth et al (2008) identify two types of summative evaluations: processes evaluation and outcome evaluation. A discussion of each follows:

**Process evaluations**

Process evaluation is geared towards guiding future projects by facilitating organizational learning. It is not enough to capture whether a project succeeded or not but it is important to understand and document why it succeeded or why it failed so that the mistakes are not repeated and good practices are shared across the stakeholders. Process evaluation also assess how the project faired in terms of efficiency i.e. whether the targeted project outputs were achieved within budget and schedule and if not what the reasons hampered that.

**Outcome evaluations**

Outcome evaluation is concerned with the extent to which the set objectives were achieved and how we can attribute the role of project to the outcomes. It is quite hard to clearly attribute that the observed outcomes are solely the result of the project without any other exogenous factor and it is even harder to determine the actual contribution of the project to the observed outcomes. In order to effectively evaluate a project it is important that both the formative and summative evaluations are carried out and with summative evaluation both process and outcome evaluations should be done fully optimize the benefits of evaluation.

**Differences between Monitoring and Evaluation**

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<tbody>
<tr>
<td>Monitoring is the routine process of data collection and measurement of progress towards program objectives.</td>
<td>Evaluation is the use of research methods to systematically investigate a program’s effectiveness.</td>
</tr>
<tr>
<td>Monitoring involves routinely looking at the quality of our services.</td>
<td>Evaluation is periodic.</td>
</tr>
<tr>
<td>Monitoring is a continuous process.</td>
<td>Evaluation involves measurements over time.</td>
</tr>
<tr>
<td>Monitoring involves counting what we are doing.</td>
<td>Evaluation requires study design.</td>
</tr>
</tbody>
</table>

Extract from Hailey and Sorgenfrei (2004)

**Results-Based Management**

Results-Based Management (RBM) cannot be separated from monitoring and evaluation, and RBM is achieved when there strong monitoring and evaluation processes in place. In simple term RBM is a management strategy that focuses on performance and the achievement of results (outputs, outcomes and impacts). RBM is also defined as a management strategy aimed at achieving important changes in the way organisations operate, with improving performance in terms of results as the central orientation (Mayne, 2007). RBM provides the
management framework and tools for strategic planning, risk management, performance monitoring and evaluation.

In 2002 (Forss, et al) argued that the primary purpose of RBM is to improve efficiency and effectiveness through organisational learning, and secondly to fulfill accountability obligations through performance reporting. Key to its success is the involvement of stakeholders throughout the management lifecycle in defining realistic expected results, assessing risk, monitoring progress, reporting on performance and integrating lessons learned into management decisions. Therefore RBM focuses on managing the interventions while trying to ensure its relevance, efficiency, effectiveness, impact and other quality criteria. RBM provides a structured, logical model for identifying expected results and the inputs and activities needed to accomplish them as well as keeping an organization focused on the expected results throughout the process and not on the implementation of activities or on budget control. By being able to measure results, a team will better understand the value of its work.

**RBM terminologies**

**The results chain**


Results are the effects of an intervention. Such effects can be intended or unintended, positive or negative. There are three levels of results: outputs, outcomes and impacts.

**Outputs**

Outputs are the products, capital goods and services that are produced by an intervention, including changes arising from the intervention that are relevant to the achievement of outcomes. Outputs are the first level of results. They are the most immediate effects of an activity, the results over which you have most control.

**Outcomes**

Outcomes are the likely or achieved medium-term effects of an intervention’s outputs. Outcomes are the second level of results. You have less control over outcomes than over outputs, but they are essential because they represent the tangible changes you are trying to bring about in your work.
Impacts

Impacts are the primary and secondary long-term effects of an intervention, be they positive or negative, direct or indirect, intended or unintended. Impacts are the third level of results. They make up the “big picture” of the changes that you are working towards but that your activities alone may not achieve. Impacts represent the underlying goal of your work and justify the intervention.

Analysis of Monitoring and Evaluation in Results-Based Management

Rational lens

Programme and operations procedures in most international and national donors are all premised upon results oriented approach, including M & E systems. In effect, for instance RBM in UNDP is understood as a rational management paradigm that is considered to be objective and geared towards enhancing effectiveness. RBM requires that all processes from goal setting to programme orientation, all components should follow a strict serial leading to organisational and development effectiveness. In addition, as expressed in UNDP’s Handbook on Monitoring and Evaluation for Results (2002), monitoring is to capture information and evaluation to provide independent assessment on outcomes and impacts. Thus, the discourse of the agency depicts the use of M & E tools as rational, recognising them as an instrument for organisational learning and management improvement.

In using Results-based M & E, logic and mechanical models have been adopted in UNDP. The Logical Framework Analysis (LFA), in one form or another, has been widely used in the agency since the 1990s, when it was adopted at the project level. Most procedures now use a various approaches in projects premised on a transformation process from input into activity into output. In addition, Results-based M & E is integrated into the programme/project cycle. UNDP further understands monitoring as being objective and evaluation as being independent. In this light, the tools are believed to offer informed judgements upon the agency performance that are to guide staff’s decisions and interventions. Therefore, the role of and procedures in place for conducting M & E in a context of RBM show the importance and rationality of these systems.

However, there are significant reasons to believe other principles than those of rationality apply. First and foremost, the impact of Results-based M & E on decision-making is questionable. Presently, there is no sound evidence that information upon results is used in a systematic way to inform adjustments on interventions and operations during the project and/or implementations (UNDP, 2007). Information structure is in place particularly at M & E centre; however, to produce appropriate knowledge systematically for managerial purposes has remained a major problem. Evidently there is also a persistent lack of good and critical data because it has been mostly limited to comments on the use of inputs and the delivery of outputs as seen so far.

The available data do not only lacks quality, but also fails to provide impartial answers to the results achieved because of interventions. In this regard, it has been observed that the formulation of indicators is contaminated including those indicators which are carefully chosen to measure results in the best possible light. The credibility of measurement and assurance of quality at in most international organisations such as UNDP and local organisation is therefore at stake. Herein, the monitoring of progress of the projects and/or programs does not prove convincing because of managers’ subjectivity and lack of good data. Evaluation is neither convincing as judgements seem to be influenced by subjective elements.

Secondly, accountability appears to be prioritised, though UNDP widely proclaims its efforts for advancing a culture of Managing for Development Results (MfDR). Consistent procedures on accountability for results are in place at all levels by means of a comprehensive reporting framework, which has allowed UNDP to reach a top ranking among multilateral organisations in transparency and good governance. In contrast, feedback information mechanisms and/or management response systems for managerial purposes, like the
mechanism provided by the Evaluation Resource Centre (ERC), are still weak. In this respect, merely two thirds of the independent evaluations issued in 2006 had a management response (UNDP, 2007). This is interesting especially bearing in mind that decentralized evaluations tend to entail even less management responses according to the Executive Board Annual Report on Evaluation of 2007. It is also important to note that even though the reporting framework enables to establish credibility with stakeholders, the absence of comparable information about the impact of other development agencies’ interventions hinders reliability. Overall, decision-making being influenced by performance information is doubtful, thus M & E does not serve as an instrumental to use but other uses that cannot be explained through the lens of traditional rationalism. Hence, the rational perspective just partially uncovers the use of Results-based M & E in UNDP. In this regard, M & E is simply not feeding objective and independent evidence that shall enable to reach optimal management decisions, but it does offer a prescriptive model based in the analytical structure of the LFA. Rationalism can certainly explain the use of M & E as an action tool that has been integrated into the program cycle in an attempt of enhancing performance and effectiveness.

In effect, the approach has an unquestionable managerial value since it enables UNDP staff to think through the logic of their interventions. As Susan Stout explained, when managers are clear about their objectives and how they will track progress, they tend to perform more effectively than when they do not. Yet, M & E shall not be understood as the panacea for learning and effectiveness, making rationality the prevailing logic behind its use. Other values need to be incorporated into the understanding of M & E systems in the context of RBM. In view of offering a comprehensive analysis of the use of results-oriented M & E in organisations, the political and institutional perspectives will be reviewed to understand various variables.

Political lens

As earlier stated, Results-based M & E systems at multilateral organisations such as UNDP engage a variety of stakeholders in relationships where different agendas apply. The system is, thus, heavily influenced by political considerations, which in turn can determine decision and policy making far more successfully than learning.

In the wider context of development aid and grants, different stakeholders participate and expose their concerns throughout the development process. With regard to UNDP, the network of stakeholders is large, especially bearing in mind that the UN is a global association of governments, closely working with civil society organisations and, hence an organisation of multilateral nature. In consequence, UNDP is subject to strong influences, in particular with regard to what should be undertaken, and how and where it should be undertaken. Its development work then becomes a political debate crowded by stakeholders.

It should be stated that multi-layered accountability framework indicates that different groups have different interests with regards to evaluative evidence and information. The accountability framework for results has been therefore premised on a hierarchy of three pillars, namely organisational, programmatic and staff accountability (Berg, 2007). In this respect, the NGOs have been pursuing a corporate agenda of meeting demands from donors for reporting and better financial administration especially at organisational level.

In general, RBM procedures have been centrally-driven and prioritise corporate requirements such as demonstrating accountability and financial soundness. At the programmatic level, the donors’ interests for reporting and accountability are of paramount. Meeting reporting commitments is paramount and has become more important than learning to better manage the results. All in all, the staff is more concerned about satisfying reporting requirements to the donors rather than managing the results (UNDP, 2007).

Donors have become more concerned with M & E in program implementation. According to UNDP’s evaluation policy introduced in 2006, all interventions should be subject to M & E. The evaluations are demanded and paid by donors to assess the effectiveness of specific of the projects and program interventions rather than broader development impacts (UNDP,
2007). If the NGOs who are the beneficiaries of the grants decide the evaluation priorities throughout project cycle, the focus would be on the interventions with an expected positive impact or those about to terminate (Meier, 2003).

Secondly, political tensions interfere in the quality of M & E. UNDP (2007) denounces that a great bulk of the evaluations conducted are rated as being “highly unsatisfactory” in terms of knowledge on the hows and whys of development interventions. Insufficient monitoring of the outcomes and persistent focus on outputs is a first determinant on the quality of outcome evaluations. In most cases, the reporting system in NGOs frequently disregard comparisons of the results with targets and baselines and, most importantly, to comment on performance indicators.

Starting with the planning phase of the project, very frequently baselines and benchmarks are poor or do not existent, and performance indicators are not specific neither measurable in quantitative terms. Hence staff in most cases avoids comparing results with targets and baselines and discussing quantified results in general, focusing simply on the report and description of inputs, activities and outputs. Overall, it is noted that staff are neglecting to judge on whether results are in fact improving or not and to what extent. For instance, most reports are so broad and descriptive rather than focusing on the performance of projects and programs. It is interesting to note that most NGOs especially senior management is taking corrective measures to improve the definition of indicators, setting of targets and benchmarks, etc. so as to ensure the quality of evaluations.

Therefore, political opposition to provide information on results is evident because of; for example, fear to be held accountable for not having achieved expected results. In this regard, senior managers in NGOs are overall accountable for the formulation, execution, and evaluation of programmes and projects. Consequently, managers only have incentives to commission evaluations of interventions performing well or those programes and projects that donors have decided to stop funding (e.g., because the development discourse has shifted attention towards other interventions, or the contract has come to an end, to mention but a few). Even when external consultants are hired to conduct evaluations, the tendency is to maintain a consensual line with the contracting authority(Taylor, 2005).

On the other hand, it might happen that NGOs staff focuses on what they are being held accountable for, namely output and financial achievements. Even further, managers might not perceive measurement of outcomes as something important they are accountable for. The interests that UNDP and other donors have on the use of Results-based M & E are closely related to the incentive and reward system currently in place (UNDP, 2001). The features of this system imply that managers and staff should not only focus on quantity and financial achievements, and neglecting the quality of their interventions.

All in all, accountability appears as a main preoccupation for and interest of staff and managers at UNDP and other donors. The drive for accountability explains why staff is assessing output delivery and why they lack motivation to monitor outcomes and impact. In addition, this has a significant influence on how M & E is conducted and information upon achievement of results disclosed. Therefore, political influences subdue performance information and prostrate evaluation findings, making them rather irrelevant for organisational learning even when a use is made for decision making. Herein, the use of Results-based M & E has become a tool and/or instrument which donors use to regulate the funding to recipients or implementers of the programs (NGOs). Therefore, donors can either decide to continue, terminate, or increase the funding so that a project/program can also expand the coverage. Note that the donor continued support and increased funding to the
organisation is dependent upon the good performance of the organisations in relation to results achieved, as well as the funding focus which the donor is interested in.

From the political perspective, results-oriented evaluations in most donors including UNDP can frequently be understood as holding a persuasive use, i.e. findings set the frame for a debate on a specific intervention. For example, the Results-oriented Annual Report (ROAR) published in 2000 recorded a key finding on the rise of Human Rights as a chief focus in governance support and assistance (IFRC, 2011b). The findings of the report were used to persuade the potential NGOs to apply for funding to focus on Human Rights-based approach to development programming in view of enhancing operational strategies. In such cases it can be argued that evaluation is used to manipulating or persuading people’s perception upon which a new intervention or program which a donor is interested in can be developed.

In view of this, one could argue that Results-based M & E does not only focus on strengthening learning but also enhancing development effectiveness. Political aspects of organisational reality are indeed affecting the implementation and outcome of M & E in most donors and multilateral organisations. While such political influences are clearly observed, it is difficult to find a number of evaluations where the interests of a political group are determining to the extent of influencing decisions of the specific intervention under assessment.

Institutional lens

As seen earlier, RBM emerged at a time of functional pressures in the development aid sector. The sector became widely associated to poor performance and lack of transparency, and awareness of the need for much more focused, efficient and effective development organisations increasingly raised. In particular, UNDP faced strong global pressures to streamline its programmatic activities and gain focus while addressing effectiveness. UNDP even suffered a diminution of its funding during the 1990s, which catalysed reforms towards adopting an effective RBM approach by the end of the decade. Therefore, member States manipulation of funds made UNDP to comply with emerging rules and standards for results-orientation in the public sector. Since then, RBM has been a managerial priority for UNDP. After succeeding in stabilising its resource base and regaining the confidence of the public, fear of downsizing of its programmatic activities has continued (UNDP, 2007).

In effect, today’s fierce competition for funds in the development industry means that securing financing is a major concern to UNDP (and all development organisations, in general). In this setting, the agency remains aware of the need to exceed donor demands for financial accountability and demonstrate focus on performance measurement to increase its chances of survival and flow of resources. Today the development context, saturated with binding expectations for accountability and results, experiences the blossoming of new fates such as MdR and knowledge aid. Having development, project and program effectiveness and learning becoming a recurring theme in the development discourse, NGO’s corporate response has been to adjust its results framework so as to portray an image of consent with the donor’s requirements and the wider environment.

Therefore, since the reforms towards RBM started, the organisational tendency in most NGOs has been to adjust the approach according to shifting donor priorities, while seeking routines and universal rules. Major international development organisations (World Bank, USAID, CIDA, Danida, SIDA, etc.) have all adopted the RBM approach and embarked in this course to conform environmental elements deemed legitimate, namely accountability, transparency, focus on results, effectiveness, evaluation, learning and many others.

Presently, it can be argued that the development aid sector is undergoing a process of homogenisation. This process started at small scale and today, many donors have influenced NGOs to implement RBM, especially bearing in mind that most organisations have followed the same path of reform (common mistakes have been made, and same lessons have been drawn). Coghlan (2001) expressed the urgency and the need for NGOs to develop appropriate
mechanisms for Results-based M & E to demonstrate their effectiveness. In this regard, the evaluation of such interventions could boost their importance by proving positive results and lobby for continued support from donors. Arguably the understanding of M & E as a social construct means that the ability of organisations to make their own choices and act independently is not considered in the analysis.

**Challenges in the M & E Results-Based Management**

The desire to achieve results in development cooperation has always been part of the aid agenda, and various methods and approaches have been implemented to achieve this end. During the 1970s and 80s, results management was applied to project aid through methods such as the Logical Framework Approach. NORAD (2008) indicated that a fragmented aid landscape, with donors working on their own projects, did not lead to sustained development results; there was an emerging need for donors to change their methods of thinking and working.

Joint Global goals on what to do and how to achieve the ultimate objective of development cooperation, i.e. poverty reduction, were agreed upon via the Millennium Development Goals and the Paris Declaration on Aid Effectiveness. Results management became an integral part of development. During the 1990s, it transformed from being project-specific to a more organisation and programme-wide level. During the 2000s, a results focus has increasingly moved towards including organisations and systems in partner countries.

**Results-based Management is complex to handle at organisational and human level.**

It is repeatedly reported that the results management perspective, in its more holistic form results-based management, is ambitious. One is asking mostly non-results-oriented organisations to institute large measures of change in planning, reporting, and implementation. When introduced at an organisational level, there seems to be a tendency to interpret the results perspective as mechanistic and deterministic, in contrast with analytic and responsive-to-change notions. The review conducted by UNDP (2001) suggested that organisations often fail to make out workable results oriented models, or even put performance information to use as intended by results management.

**Different purposes create conflicts in application**

Uncertainty in the development community about what results management means and is used for is likely to stem from a variety of motivations and objectives (Mayne, 2007a). Diversity of objectives includes disbursement levels, accountability (domestic as well as mutual), control, and planning and learning. For donors, there is a conflict in the dual objective of supporting NGOs result management systems while simultaneously improving their own. Hence the representation of “results-oriented practices”, in such situations is very ambiguous.

**RBM goes against Management practices centred on control and process**

It appears that when the results perspective confronts management practices Centred on control and/or process, managers are inclined to look away from the outcome level, and turn their attention to what is easily measurable (normally indicators found on the levels of input--activity---output). Specifically, it seems that the call for a results focus on “outcomes” has contributed to risk-averse behaviour by donor agencies (Mayne, 2007a). The challenge of introducing “new” Management perspectives also seem to be aggravated in partner countries, where the agenda is at times seen as driven by donors, and with low demand in NGOs.

**The systemic and cultural demands put on development partners**

Working with monitoring and evaluation in environments where information is scarce, and national demand for performance information to influence policy and decision--making is weak, presents natural challenges for results orientation and mutual accountability (Poate,
2012). It is also evident that donors face difficulties in simultaneously strengthening and aligning with development partner systems for planning and performance assessment.

On these grounds, among others, the results agenda has been questioned to the point to suggesting that the entire idea is flawed. It may be that basic notions lead to misuse on a level surpassing any potential benefits, and that it is beyond our reach to increase aid effectiveness. However, that reasoning requires an alternative. From our somewhat limited vantage point, suggested remedies tend to rely on the notions of improved analysis and learning from past experiences.

Today the agenda is being pushed stronger than ever. There is an increased global and domestic demand to demonstrate the results of development cooperation. The effects of traditional forms of development cooperation are being questioned publicly. New modalities and actors are entering the scene and thus, the complexity, number of actors, and ways of doing business, has never been greater. Results requirements are increasingly being used as a condition for funding: “without-results no funding and no collaboration” (NORAD, 2013c).

Research Methodology

Introduction

This section present the methods of investigation the researcher used. It is composed of research design, sample size and sampling procedure, sources of data, tools of data collection and data analysis as well as limitations. Research methodology refers to way of systematically solving the research problem or a science of studying how the research is done scientifically (Kothari, 2004). Therefore, in this research study both qualitative and quantitative methods were used to triangulate the data gathering. Qualitative methods are based on the facts which are socially constructed and peoples experience with regards to an issue under study (Best, 1963).

Research Design

“A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure” (Barley, 1978. In other words, research design is structure, plan, blue print, logical model that enable a researcher to come up with the solutions or answers to the research problem or question.

Research design also show clearly where the data will be collected, procedures and techniques to be used for gathering information or the methods of data collection to be used, processing and analysing data, skills of the researchers and the availability of staff, money and also the amount of time required to conduct the research study (Allen, 1978). In this research study a non-experimental research design in the form of descriptive study was used to present the facts on the ground. Additionally, the research used statistical tools to evaluate the accuracy of the data to present information.

Sources of Data

Data used were from both primary and secondary sources.

Primary Data

Primary data were gathered by administering structured questionnaires. This primary data were both quantitative and qualitative. The quantitative data was used to give statistics of the study. Furthermore, to enrich the quantitative data (statistics), the qualitative data was gathered using the same questionnaire which had both closed and open-ended questions. Primary data are important for this study because they come directly from the people on the ground.
Secondary Data

Secondary data collection involved literature review of the research findings of previous studies and other published documents such as articles, journals, and books relating to the research topic as well as the internet as shown in chapter two of the literature review. Secondary data was important for this study to show other researchers have done in similar topic in other countries and compare their findings with the findings of this research study. Secondary data are also important because they help to identify gaps in previous studies.

Target Population

The target NGOCC Member Organisations of the study was one hundred and four (104). The NGOCC Membership is spread across the country in all ten provinces, and it from this membership a sample size was drawn from.

Sample Size

The sample size included respondents from NGOCC Member Organisations. About 25 organisations were selected from seven provinces. Note that during the interviews organisations were being represented as follows: 11 organisations (44 percent) had 1-3 representatives, 6 organisations (24 percent) had 4-6 representatives, while 8 organisations (32 percent) had 7 and above representatives. Reasons for choosing this sample size include cost effectiveness, manageability and adequacy in generation of precise data.

Sampling Method

The process of selecting part of or sub-set of the population (sample size) is called sampling. Sampling could be either probability or non-probability (Cochran, 1963). In this research study probability sampling technique to select the sample for the study was used. One variant of cluster sampling, that is, systematic sampling was used to select NGOCC Member Organisations.

NGOCC has detailed list of all Member Organisations and all the organisations were assigned a sampling number, hence the organisations were selected following this procedure:

1. Calculate the sampling interval
   \[ I = \frac{N}{n} \]
   \[ 104/25=4.16 \text{ which is } 4 \text{ when rounded off}. \]
   - Where “N” is the total number of NGOCC Member Organisations was 104.
   - Where “n” is the number of sample size (25) wanted and Sampling Interval is 4.
2. Generating random number (R) between 1 and interval, the first selection will be R (4).
3. The starting point will be randomly chosen.
4. To get to the next selection addition of the interval 4 will be done
5. Adding the interval repeatedly until the desired sample size was reached.

During the research, selected organisations who were not at available during the monitoring visit of the projects on the appointed data replacement was done using a sampling interval to select another organisations until the required sample size was reached.

Research Instruments

Questionnaires

Structured questionnaires were used to collect data from respondents. The research tools comprised of closed-ended questions with predetermined answers, while open-ended questions required the respondents to write their own responses. These questionnaires were developed and distributed to the respondents by the researcher. Questions were aimed at eliciting relevant information from the respondents.

Pre-Testing of the Research Instruments

The pilot study was conducted by administering the questionnaires to the similar group of respondents (with similar characteristics) of study in Lusaka. Two NGOCC member
organisations such as Women for Change and World of Prayer participated in pre-test of tools. The questionnaires were administered to the respondents inform of interview. The research questionnaires were pre-tested to enhance validity of the content, some questions were modified and new questions were in the questionnaires, improve on questions and the format of the research tools.

**Data Analysis**

**Editing**

Data cleaning was done after data entry to minimize errors by checking on completeness, accuracy and uniformity. Errors were corrected and responses put in the right place.

**Coding**

After the data was collected, the questions and responses were coded to ensure that all values and variables under study were correctly defined and captured in the data set. The coding of the responses helped to group similar responses to the questions into meaningful categories. The data collected from the questionnaire were checked for uniformity, consistency and accuracy.

The responses were coded for easy data analysis. Analysis and interpretation of data was done with the help of computer software and statistical tools such as Microsoft Excel (Ms-excel) and Statistical Package for Social Science (SPSS). Data entry was done using Ms-excel and exported to SPSS version 16.0. The advantage of SPSS is that it is user friendly, it has enough space for a long range of numbers and mathematical manipulations can be dealt with using its in-built functions. To aid the interpretation of data; pie and bar charts, tables and percentages were used. On the other hand qualitative data were analysed manually by creating themes based on the responses given by the respondents.

**Ethical Considerations**

Ethics in social science research should be observed when undertaking research study. To reduce psychological and emotional harm of the respondents, ethical consideration was of great importance. Ethics in this research study were highly considered by the researcher by seeking informed consent from the participants and disclose the aims of the research. Voluntarism was also considered as participants were not forced or coerced to participate in the study. Confidentiality was also considered to protect respondents from any psychological or physical harm and danger against their participation in the study and the identity details of the participants were kept confidential. The data collected from respondents were kept in a secure and private place.

**Data Analysis and Results Presentation**

**Introduction**

This chapter presents the research findings of the study. It also presents questions in diagrammatical form especially those which related to the research objectives to give evidence-based statistics. The same findings were used for discussion to explain what they entail and also to compare with what other researchers had written.

**Responses to the Questions**

**Organisation**

In this research study about 25 NGOCC Member Organisations which include Non-Governmental Organisations (NGOs) and Community Based Organisations (CBOs) participated. These include Breastfeeding Association of Zambia (BAZ), Senior Citizens Association of Zambia (SCAZ), Society for Women and AIDS in Zambia (SWAAZ), Zambia National Womens’ Lobby (ZNWL), Zambia Women Development Association (ZAWEDA), Zambian Women in Mining, Community for Human Development (CHD), Council of
 Churches in Zambia (CCZ), Kalomo District Women Association, Law Development Association (LADA), Maliko Area Association, Monze District Women’s Association, Kambwize Area Association, Mangango Area Association, Mufaya Area Association, Likunde Area Association, Liye-Liye Area Association, People’s Participation Service (PPS), Zambia Orphans Widows Association (ZOWA), Mabumba Nutrition Group, Mansa District Women’s Association, Single Parents Association of Zambia (SPAZ), Development of People’s Empowerment (DOPE), Mwelebi Kembe Ranch Home Based Care (MKAMBECO), and Twikatane Area Association.

Table 4.1: Number of Organisation per Province

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>Lusaka</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Western</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Central</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Luapula</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Southern</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Muchinga</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Copperbelt</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>25</strong></td>
</tr>
</tbody>
</table>

In table 4.1 above, it shows that a number of organisations that participated in the research study were from Lusaka Province which had eight (8) representing 32 percent, followed by Western Province which had six (6) representing 24 percent. The other four (4) organisations representing 16 percent were from Southern Province, while Copperbelt and Central Provinces only one organisation representing 4 percent in each participated in the research study.

Table 4.2: Organisation representatives during interview

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>1-3</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>4-6</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>7 &amp; above</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>25</strong></td>
</tr>
</tbody>
</table>

Table 4.2 above shows the representation of the organisations during the interviews. The statistics show that 11 organisations (44 percent) had 1-3 representatives, 6 organisations (24 percent) had 4-6 representatives, while 8 organisations (32 percent) had 7 and above representatives. These statistics means that the organisations were well represented during the interviews, and that the information given on Monitoring and Evaluation systems and or Results Based Management reflected some actual situation of the organisation because it was not given by only person from the organisation. It should be pointed out that the minimum number of the organisation representatives interviewed were three.

Table 4.3: Number of donors apart from NGOCC

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>0-3 donors</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>4-6 donors</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>7 &amp; above donors</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>25</strong></td>
</tr>
</tbody>
</table>

Table 4.3 above shows the number of donors from which the organisations get funding apart from NGOCC. The findings have revealed that 22 (88 percent) organisations have 0-3 donors who provide funding, 2 (8 percent) organisations have 4-6 donors who provide funding, whilst 1 (4 percent) organisation has above 7 donors who provide funding apart from
NGOCC. Evidently the statistics show that most organisations have few donors from which they receive funding, and in most cases it was noted that many organisations have no other donors apart from NGOCC. It can also be attested that more than three-quarters of NGOCC Member Organisations if not all, depend on NGOCC for funding, hence dependency syndrome is higher.

**Table 4.4: Introduction of M & E/Result Based Management to Organisation in programs**

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Yes</td>
<td>14</td>
<td>56.0</td>
</tr>
<tr>
<td>Somehow</td>
<td>10</td>
<td>40.0</td>
</tr>
<tr>
<td>Do not know</td>
<td>1</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Table 4.4 shows number of organisations that have been introduced to M & E/Result Based Management in project/program. The above findings have shown that 14 (56 percent) organisations have been introduced to M & E/Result Based Management in project/program, 10 (40 percent) organisations have somehow been introduced, and the other one (4 percent) organisation does not know whether the organisation was introduced to M & E/Result Based Management in project/program.

**Table 4.5: The introduction of M & E/Result Based Management**

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Donors/funders</td>
<td>22</td>
<td>88.0</td>
</tr>
<tr>
<td>Network organisations</td>
<td>2</td>
<td>8.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>24</strong></td>
<td><strong>96.0</strong></td>
</tr>
<tr>
<td>Missing not applicable</td>
<td>1</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Furthermore, the research findings revealed that 22 organisations (88 percent) indicated that they were introduced to M & E/Result Based Management in project/program by donors, while only 2 (8 percent) organisations were introduced by network organisations as shown in table 4.5 above. Therefore, it can be attested that donors are more interested and have influenced the introduction of M & E/Result Based Management in project/program compared to the network organisations.

**Table 4.6: The explanation on the importance of M & E/Result Based Management**

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid Greater extent</td>
<td>12</td>
<td>48.0</td>
</tr>
<tr>
<td>Less extent</td>
<td>12</td>
<td>48.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>24</strong></td>
<td><strong>96.0</strong></td>
</tr>
<tr>
<td>Missing not applicable</td>
<td>1</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

The above table 4.6 shows the extent to which the donors and or other stakeholders and network organisations explain the importance of M & E/Result Based Management in the program. The findings have revealed that 12 (48 percent) organisations indicated that the explanation on the importance of M & E/Result Based Management in the program was greater, whilst the other 12 (48 percent) organisations indicated that the explanation was less.

**Table 4.7: Importance of M & E/Result Based Management in project/program**

<table>
<thead>
<tr>
<th>QUESTIONS</th>
<th>RESPONSES</th>
<th>YES</th>
<th>NO</th>
<th>DO NOT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Does M & E enhance project management decision making during the implementation?  

24 (96%) 0 (0%) 1 (4%) 100%

Does M & E ensure that implementation of program is according to plans?  

24 (96%) 0 (0%) 1 (4%) 100%

Does M & E enhance transparency and accountability of resources to the donors and other stakeholders?  

23 (92%) 0 (0%) 2 (8%) 100%

Does M & E enhance the performance in results-based reporting (outputs, outcomes and impacts)?  

24 (96%) 0 (0%) 1 (4%) 100%

Do M & E systems act as the Resource Mobilisation tools for the organisation?  

24 (96%) 0 (0%) 1 (4%) 100%

Although 12 (48 percent) organisations indicated that the explanation on the importance of M & E/Result Based Management in the program was less, the statistics in Table 4.7 have clearly shown that M & E enhances decision making; ensures implementation of program according to plans; enhances transparency and accountability of resources to the donors and other stakeholders; enhances performance in results-based reporting; and also act as the Resource Mobilisation tools for the organisation being represented by 24 (96%), 24 (96%), 23 (92%), 24 (96%), and 24 (96%) respectively.

Organisation adaptation to the introduction of M & E /Result Based Management systems

On the adaptation to the introduction of M & E /Result Based Management systems by the organisations, the research findings have revealed that those organisations which have established and operational M & E /Result Based Management systems with M & E Officer and or office have adapted very well. Furthermore, organisations which somehow have basic M & E /Result Based Management systems in place such as M & E Officer volunteers as well as the use of existing staff and guidance have also tried to adapt to the new reporting processes. On the other hand, the organisations which do not have basic M & E /Result Based Management systems in place have not directly adapted due to inadequate staff, lack of understanding and knowledge in M & E, and also low levels of education among members.

User -friendly of M & E/Result Based Management systems introduced

Taking into of varying organisation levels, the representatives from the organisations were asked how friendly the M & E/Results based management systems introduced. Three-quarters of the organisations which participated in this study indicated that the newly introduced reporting format was user friendly. The other one-quarter of the organisations which participated in this study indicated that the newly introduced reporting format was user friendly, however staff face challenges to follow the format and even to fill the data capturing tools correctly due to low levels of education among organisation members who are actually running the day today affairs (operations) of the organisation. Therefore, it was recommended that donors should provide much needed guidance on tailor made basis taking into account of the organisation needs, and the level at which the organisation is.

Table 4.8: Basic M & E /Result Based Management systems in place

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>11</td>
<td>44.0</td>
</tr>
<tr>
<td>Somehow</td>
<td>10</td>
<td>40.0</td>
</tr>
<tr>
<td>No</td>
<td>4</td>
<td>16.0</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table 4.8 shows that 11 (44 percent) organisations have an established and operational M & E /Result Based Management systems such as M & E Officer and or office, objectives of the projects, indicators, data capturing tools and databases. The 10 (40 percent) organisations somehow have basic M & E /Result Based Management systems in place such as objectives of the projects, and data capturing tools only, while 4 (16 percent) organisations do not have basic M & E/Result Based Management systems in place.

**Organisation challenges for not having basic M & E /Result Based Management systems**

The study was also aimed at investigating the challenges which organisations face for not having basic M & E/Result Based Management systems. The findings of this research study revealed the major challenges as being inadequate financial resources to employ Monitoring and Evaluation Officer who can be fully in charge of putting in place such basic M & E processes. Worse still most organisations are CBOs whose members are of low education levels to assimilate and have a clear understanding of such basic M & E processes. Although organisations appreciate the importance of M & E processes, low education levels among organisation members running the organisations or office bearers has remain a challenge to operationalise such processes.

**Table 4.9: Monitoring and Evaluation Officer for the organisation**

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>2</td>
<td>8.0</td>
</tr>
<tr>
<td>Somehow</td>
<td>5</td>
<td>20.0</td>
</tr>
<tr>
<td>No</td>
<td>18</td>
<td>72.0</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>100.0</td>
</tr>
</tbody>
</table>

During the interviews the representatives from the organisations were asked whether they have Monitoring and Evaluation Officer. Table 4.9 above shows that only 2 (8 percent) organisations have Monitoring and Evaluation Officers in place that carry out M & E functions. 5 (20 percent) organisations indicated that they have somehow Monitoring and Evaluation Officers in place. The organisations that indicated of having Monitoring and Evaluation Officers somehow, in actual sense they meant that Project Officers, and other existing staff were also carrying out M & E functions in directly and or indirectly. On the other hand, 18 (72 percent) organisations do not have either Monitoring and Evaluation Officer or existing staff to and carrying out M & E functions. It is important to note that the reason for not having Monitoring and Evaluation Officer in place was mainly due to inadequate financial resources. However, one organisation indicated that plans were underway to recruit the M & E Officer.

**Table 4.10: Quality and content of the reports in terms of results/successes**

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>5</td>
<td>20.0</td>
</tr>
<tr>
<td>Good</td>
<td>14</td>
<td>56.0</td>
</tr>
<tr>
<td>Average</td>
<td>6</td>
<td>24.0</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>100.0</td>
</tr>
</tbody>
</table>

The respondents were asked to rate their organisation reports in terms of quality and content. It was revealed that 5 (20 percent) organisations their project reports are very good, 14 (56%) organisations their project reports are good, while 6 (24 percent) organisations rated their reports to be on average as shown in Table 4.10 above.

**Table 4.11: Support to strengthen M & E /Result Based Management systems**

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
</table>

19
It is evident that organisations were provided with support to strengthen the M & E /Result Based Management systems. 15 (60 percent) organisations were provided with support, while 10 (40 percent) organisations were somehow provided with support to strengthen the M & E /Result Based Management systems as shown in Table 4.11 above.

Table 4.12: Support provided to the organisations by donors and or network organisations

<table>
<thead>
<tr>
<th>RESPONSES</th>
<th>FREQUENCY</th>
<th>PERCENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td>24</td>
<td>96.0</td>
</tr>
<tr>
<td>Governance and project management</td>
<td>1</td>
<td>4.0</td>
</tr>
<tr>
<td>Total</td>
<td>25</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Table 4.12 shows the support the donors and or network organisations have provided to organisations to strengthen the M & E /Result Based Management systems. As evident above, the findings have revealed that 24 (96 percent) organisations were supported to strengthen the M & E /Result Based Management systems through orientation in M & E/RBM systems, reporting and financial management. Interestingly, 1 (4 percent) organisation was supported in governance problem resolutions through guidance in constitution development process and bringing the organisational members together to resolve the differences, and also the project management through orientation.

Adequacy of support to meet the needs of the organisation

In relation to support provided by the donors to organisations through orientation in M & E/RBM systems, reporting and financial management, one quarter (1/4) of the organisations which participated in this research study indicated that the support (orientation) was adequate and it has helped the organisation in the reporting processes. Furthermore, other organisations were provided with financial support project officers and M & E Officers were employed to plan and implement, and to monitor and evaluate the projects respectively. However it is important to note that three-quarters of the organisations indicated that support provided was not adequate. The reasons among other included weak organisation capacity which mainly attributed to inadequate human resources, low education levels among organisation members, and lack of tailor made orientation in the M & E processes and it was one off considering varying education levels especially members in Community Based Organisations (CBOs).

Discussion of the Research Findings

To investigate the extent to which the donors have explained to NGOs the importance of results-based management and the support which donors provide to NGOs to strengthen results-based management:-

The first research objective was to investigate the extent to which the donors have explained to NGOs the importance of results-based management. In relation to this objective, the findings revealed that 12 (48 percent) organisations indicated that the explanation on the importance of M & E/Result Based Management in the program was greater, whilst the other 12 (48 percent) organisations indicated that the explanation was less. These findings entail that donors explanation on the importance of results-based management to NGOs is almost 50% greater and 50% less. Arguably the donors are encouraged to scale up the efforts to explain the importance of results-based management to other Member organisations.

It should be stated that, comprehensive and clear explanation on the importance of doing something to an individual or organisation, is the first step to change the attitude or perception
thereby bringing the spirit of willingness to do it for the benefits stated or explained. It is imperative for the donors to include the explanation of the result chain which follows as inputs (human resources, computers, finances, etc); processes (activities which have planned in the project and or program); outputs (immediate results achieved due to the implementation of the planned activities); outcomes (which are short-term or intermediate results at population level the execution of the planned activities); and the impact (which are long-term effects, or the end results of the program) as outlined by Kusek, J.Z. and Rist, R. C. (2004).

Therefore, donors and or other stakeholders and network organisations should continue or intensify the provision of comprehensive and clear explanation on the importance of M & E/Result Based Management in the program so that partner organisations can appreciate and be committed to this new process of results-based reporting. However, there is need to take into account of the organisation capacities which maybe at varying levels to adapt to results-based approaches.

Furthermore the first objective endeavours to investigate the support which donors provide to NGOs to strengthen results-based management. The findings have shown that organisations were provided with support to strengthen the M & E /Result Based Management systems. Notably 15 (60 percent) organisations were provided with support, while 10 (40 percent) organisations were somehow provided with support to strengthen the M & E /Result Based Management systems as shown in Table 4.11 above.

Additionally the findings have revealed that 24 (96 percent) organisations were supported to strengthen the M & E /Result Based Management systems through orientation in M & E/RBM systems, reporting and financial management by the donors. Interestingly, 1 (4 percent) organisation was supported in governance problem resolutions through guidance in constitution development process and bringing the organisational members together to resolve the differences, and also the project management through orientation.

Furthermore, the support provided by the donors to organisations in M & E/RBM systems, reporting and financial management, one quarter (1/4) of the organisations which participated in this research study indicated that the support (orientation) was adequate and it has helped the organisation in the reporting processes. Additionally other organisations were provided with financial support which they use to employ the project officers and M & E Officers to plan and implement, and to monitor and evaluate the projects respectively.

However it is important to note that three-quarters of the organisations indicated that support provided was not adequate. The reasons among other included weak organisation capacity which mainly attributed to inadequate human resources, low education levels among organisation members, and lack of tailor made orientation in the M & E processes and it was one off considering varying education levels especially members in Community Based Organisations (CBOs). The inadequacy of support entails that most of the organisations especially CBOs may face a numerous challenges to adapt to Results-Based approaches due to organisational inadequate capacities.

Based on these research findings, there is need for donors/funders to increase the budget allocation to M & E activities, provide adequate data capturing tools, and also to providing tailor made orientations and trainings in the M & E processes considering the fact that organisations are at varying levels and also capacities. This would help to strengthen the M & E processes in the organisations being supported.

To determine the extent to which NGOs understand the importance of results-based management in their programs:

The second research objective was to determine the extent to which NGOs understand the importance of results-based management in their programs. The research findings have revealed that the donors, network organisations explain the importance of M & E/Result Based Management in the program. The 12 (48 percent) organisations indicated that the explanation on the importance of M & E/Result Based Management in the program was greater, whilst the other 12 (48 percent) organisations indicated that the explanation was less.
It should be argued that though, the research findings revealed that almost half of the organisations 12 (48 percent) indicated that the explanation on the importance of M & E/Result Based Management in the program was less, the statistics have clearly shown that M & E enhances decision making; ensures implementation of program according to plans; enhances transparency and accountability of resources to the donors and other stakeholders; enhances performance in results-based reporting; and also act as the Resource Mobilisation tools for the organisation being represented by 24 (96%), 24 (96%), 23 (92%), 24 (96%), and 24 (96%) respectively.

These findings are being supported by some of findings in the literature review. The literature revealed that results-based M & E should be integrated into the programme/project cycle because they offer informed judgements upon the organisation performance as well as guiding staff’s decision making and interventions. However, it is important to note that the impact of Results-based M & E on decision-making is questionable. Presently, there is no sound evidence that information upon results is used in a systematic way to inform adjustments on interventions and operations during the project and/or implementations (UNDP, 2007). It is argued that the mostly the information structures are placed or centralised at M & E centres and or offices; hence to produce appropriate knowledge systematically for managerial purposes has remained a major problem. Evidently there is also a persistent lack of good and critical data because it has been mostly the organisations report mainly on the inputs and the delivery of outputs and not on outcomes as demanded by most donors.

Furthermore, it has been noted that the available data do not only lacks quality, but also fails to provide impartial answers to the results achieved because of interventions. In short the attribution of the results achieved to the organisations efforts and the interventions or implemented activities have continued to be a challenge for most of the organisations. Additionally, it has been observed that the formulation of indicators is contaminated including those indicators which are carefully chosen to measure results in the best possible light. The credibility of measurement and assurance of quality data in most international organisations and local organisation is therefore at stake. Herein, the monitoring of progress of the projects and/or programs does not prove convincing because of managers’ subjectivity and lack of good data.

It should be stated that multi-layered accountability framework indicates that different groups have different interests with regards to evaluative evidence and information. The accountability framework for results has been therefore premised on a hierarchy of three pillars, namely organisational, programmatic and staff accountability (Berg, 2007). In this respect, the NGOs have been pursuing a corporate agenda of meeting demands from donors for reporting and better financial administration especially at organisational level.

In general, RBM procedures have been centrally-driven and prioritise corporate requirements such as demonstrating accountability and financial soundness. At the programmatic level, the donors’ interests for reporting and accountability are of paramount. Meeting reporting commitments is paramount and has become more important than learning to better manage the results. Notably, due to poor performance and lack of transparency, and awareness of the need for much more focused, efficient and effective the introduction of RBM is in the organisations has been deemed necessary even in the international organisations.

In particular, for instance UNDP faced strong global pressures to streamline its programmatic activities and gain focus while addressing effectiveness. UNDP suffered from inadequate financial funding during the 1990s, which catalysed reforms towards adopting an effective RBM approach by the end of the decade. The country member states attached conditionalities to the funding which made UNDP to comply with emerging rules and standards for results-orientation in the program management. Since then, RBM has been a managerial priority for UNDP. The adoption of the RB approach by the UNDP helped it to succeed in stabilising its resource base and regaining the confidence of the public in its programmatic activities (UNDP, 2007).
It is therefore important to state that organisations should be aware of the need to exceed donor demands for financial accountability and demonstrate focus on performance measurement to increase its chances of survival and flow of resources. Currently, the funding is saturated with binding expectations for accountability and results; hence development project and program effectiveness and learning becoming a recurring theme in the development discourse. In 2001 (Coghlan), expressed the urgency and the need for NGOs to develop appropriate mechanisms for Results-based M & E to demonstrate their effectiveness. In this regard, the evaluation of such interventions could boost their importance by proving positive results and lobby for continued support from donors. Arguably the understanding of M & E as a social construct means that the ability of organisations to make their own choices and act independently is not considered in the analysis.

From the above, it can be argued that, although there are weaknesses and problems in the M & E processes as noted above, there is a need for comprehensive and clear explanation on the importance of doing something to an individual or organisation, is the first step to change the attitude or perception thereby bringing the spirit of willingness to do it for the benefits stated or explained. Therefore, donors and or other stakeholders and network organisations should continue to provide comprehensive and clear explanation on the importance of M & E/Result Based Management in the program so that partner organisations can appreciate and be committed to this new process of results-based reporting.

**To identify the challenges faced by NGOs in the results-based management and interventions/recommendations to donors and NGOs to help them improve their results-based management.**

The third research objective was to identify the challenges faced by NGOs in the results-based management and interventions/recommendations to donors and NGOs to help them improve their results-based management. The findings of this research study revealed the major challenges as being inadequate financial resources to employ Monitoring and Evaluation Officer who can be fully in charge of putting in place such basic M & E processes. Worse still most organisations are CBOs whose members are of low education levels to assimilate and have a clear understanding of such basic M & E processes.

Additionally, it is evident that 11 (44 percent) organisations have an established and operational M & E /Result Based Management systems such as objectives of the projects, indicators, data capturing tools and databases. On the other hand 10 (40 percent) organisations somehow have basic M & E /Result Based Management systems in place such as objectives of the projects, and data capturing tools only, and 4 (16 percent) organisations do not have basic M & E /Result Based Management systems in place. It was furthermore revealed that 2 (8 percent) organisations have Monitoring and Evaluation Officers in place that carry out M & E functions. Evidently 5 (20 percent) organisations indicated that they have somehow Monitoring and Evaluation Officers in place.

The organisations that indicated of having Monitoring and Evaluation Officers somehow, in actual sense they meant that Project Officers, and other existing staff were also carrying out M & E functions in directly and or indirectly. On the other hand 18 (72 percent) organisations do not have either Monitoring and Evaluation Officer or existing staff to and carrying out M & E functions. It is important to note that the reason for not having Monitoring and Evaluation Officer in place was mainly due to inadequate financial resources. However, one organisation indicated that plans were underway to recruit the M & E Officer. It should be noted that although organisations appreciate the importance of M & E processes, low education levels among organisation members running the organisations or office bearers has remain a challenge to operationalise such processes.

Apart from the above challenges, literature review revealed that the introduction of RBM at an organisational level has a tendency to interpret the results perspective as mechanistic and deterministic, in contrast with analytic and responsive-to-change notions. The review conducted by UNDP (2001) revealed that organisations often fail to make out workable
results oriented models, or even put performance information to use as intended by results management because of inadequate human resources. Furthermore, uncertainty in the development community about what results management means and is used for come about because of different motivations and objectives (Mayne, 2007a). Diversity of objectives includes disbursement levels, accountability (domestic as well as mutual), control, and planning and learning.

It has been noted that for donors, there is a conflict in the dual objective of supporting NGOs result management systems while simultaneously improving their own. Hence the “results-based practices”, in such situations is very ambiguous. Although RBM is associated with various as discussed above, the result based agenda is being pushed stronger than ever, and there is an increased global and domestic demand to demonstrate the results of development cooperation. New modalities and actors are entering the scene and thus, the complexity, number of actors, and ways of doing business, has never been greater. Results requirements are increasingly being used as a condition for funding: “without-results no funding and no collaboration” (NORAD, 2013c).

**Recommendations to donors strengthen the M & E /Result Based Management systems.**

The third research objective also aimed at seeking interventions and or recommendations to donors and NGOs to help them improve their results-based management. During the interviews, the representatives of the organisations were asked to provide recommendations which could be used to strengthen the M & E /Result Based Management systems and make the M & E processes a reality. Interestingly the findings revealed that donors should provide tailor made orientation and trainings in M & E and report writing as well as technical support and guidance. It was further recommended that donors should increase budget allocation to M & E activities and also to employ the M & E Officer for project period. The sharing of the data capturing tools to meet the reporting requirements was one of the recommendations which came out strongly from the organisations to the donors.

**Measures to strengthen M & E /Result Based Management systems at organisation level**

During the interviews, the representatives of the organisations were asked to provide or state the measures at the organisation level which could be used to strengthen the M & E /Result Based Management systems and to make the M & E processes more effective. Generally there was common understanding that there is need to improve and strengthen the data collection process through the use of data capturing tools shared by the donors, and to establish the filing system and documentation of data, success stories and other important information collected from the project sites. It was pointed out strongly that organisation staff or members that attend the orientation and trainings in M & E, report writing, financial and project management and other related trainings should orient other staff or members that did not attend the trainings or orientations. The rationale for such idea or measure is to create organisation memory not the knowledge to remain with one staff who in case when he or she leaves the organisation a gap is created thereby negatively affecting the operation of the organisation.

**Summary, Conclusion and Recommendations**

**Introduction**

Chapter five presents the research summary, conclusion and recommendations based on the research findings. It has also presented areas for further studies.

**Research Summary**

The donors have introduced the results-based management (RBM) to improve the effectiveness, efficiency and accountability in the management, operations and implementation of programmes by NGOs. To the donors the introduction of results-based management is one way of promoting efficiency, effectiveness and is one of the
conditionality’s for funding. However results-based management practices among NGOs are generally believed to be ineffective due to the adoption of the wrong RBM strategies, particularly when inappropriately copied from other organisations and start being operationalised without taking into account of the existing knowledge level and skills among the existing staff (Britten 1998). It is not clear whether the importance of results-based management approach has been clearly explained to NGOs so that they can strive harder to incorporate them into programs at the inception.

Furthermore, it is not clear about the challenges which NGOs face to implement the results-based management approach, and the support which donors provide to NGOs for them to effectively implement the results-based management approach is not known. All the factors discussed above have prompted the need to undertake this research study. Given the problem, the main objective was to investigate the importance of the Result Based Management (RBM) in the Project Management and the Challenges Non-Governmental Organisations (NGOs) face to strengthen the RBM system. The specific objectives of study were:

- To investigate the extent to which the donors have explained to NGOs the importance of results-based management and the support which donors provide to NGOs to strengthen results-based management;
- To determine the extent to which NGOs understand the importance of results-based management in their programs;
- To identify the challenges faced by NGOs in the results-based management and interventions/recommendations to donors and NGOs to help them improve their results-based management.

To achieve the three research objectives, the study was undertaken in seven provinces of Zambia covering twenty-five (25) NGOCC Member Organisations. During the study relevant literature on the on the importance of RBM, and challenges which NGOs face to adapt to RBM processes was reviewed. From the literature review it can be argued that, although M & E processes have some weaknesses and problems such as persistent lack of good and critical data, M & E enhances decision making; ensures implementation of program according to plans; enhances transparency and accountability of resources to the donors and other stakeholders; enhances performance in results-based reporting; and also act as the resource mobilisation tools for the organisation

To undertake this research study a clear research methodology was proposed and outlined. Research design, study population, sample size, sampling design, and types of data, research instruments, and data collection method were considered and outlined. Furthermore, data analysis and ethical consideration during the study were also covered. The clearly outlined methodology, helped to carry out this research systematically. The data analysis was done in relation research objectives.

Under the first objective, it can be concluded that there is need for donors, network organisations and stakeholders to continue or intensify the provision of comprehensive and clear explanation on the importance of M & E/Result Based Management in the program. A comprehensive and clear explanation on the importance of doing something to an individual or organisation would be the first step to change the attitude or perception thereby bringing the spirit of willingness to do it for the benefits stated or explained. This may help the partner organisations to appreciate and be committed to this new process of results-based reporting.

However, there is need to take into account of the organisation capacities which maybe at varying levels to adapt to results-based approaches. The inadequacy of support entails that most of the organisations especially CBOs may face a numerous challenges to adapt to Results-Based approaches due to organisational inadequate capacities. Therefore, there is need for donors/funders to increase the budget allocation to M & E activities, provide adequate data capturing tools, and also to providing tailor made orientations and trainings in the M & E processes considering the fact that organisations are at varying levels and also capacities. This would help to strengthen the M & E processes in the organisations being supported.
Additionally, donors, network organisations and stakeholders should continue to provide comprehensive and clear explanation on the importance of M & E/Result Based Management in the program so that partner organisations can appreciate and be committed to this new process of results-based reporting. It should be noted that although organisations appreciate the importance of M & E processes, low education levels among organisation members running the organisations or office bearers has remain a challenge to operationalise such processes. Interestingly the findings have also shown that organisations were provided with orientation in M & E/RBM systems, reporting and financial management by donors as a support to strengthen the M & E /Result Based Management systems. However, three-quarters of the organisations indicated that support provided was not adequate, and therefore, it can be concluded that the support provided is not adequate.

From objective two, it can be summerised that M & E enhances decision making; ensures implementation of program according to plans; enhances transparency and accountability of resources to the donors and other stakeholders; enhances performance in results-based reporting; and also act as the resource mobilisation tools for the organisation. Notably there are weaknesses and problems in the M & E processes such as persistent lack of good and critical data. Although there are such weaknesses, there is a need for, donors and or other stakeholders and network organisations should continue to provide comprehensive and clear explanation on the importance of M & E/Result Based Management in the program so that partner organisations can appreciate and be committed to this new process of results-based reporting.

In relation to the third research objective, it can be summerised that the major challenges which Member Organisations face in the M & E processes included weak organisation capacity which mainly attributed to inadequate human resources, low education levels among organisation members, and lack of tailor made orientation in the M & E processes. The inadequacy of support entails that most of the organisations especially CBOs may face a numerous challenges to adapt to Results-Based approaches due to organisational inadequate capacities. Therefore, there is need for donors/funders to provide adequate data capturing tools, and also to providing tailor made orientations and trainings in the M & E processes considering the fact that organisations are at varying levels and also capacities. This would help to strengthen the M & E processes in the organisations being supported.

Conclusively, the participants (member organisation) recommended that donors should provide tailor made orientation and trainings in M & E and report writing as well as technical support and guidance. The sharing of the data capturing tools to meet the reporting requirements was one of the recommendations which came out strongly from the organisations to the donors. On the other hand, there was common understanding that there is need to improve and strengthen the data collection process through the use of data capturing tools shared by the donors, and to establish the filing system and documentation of data, success stories and other important information collected during the project implementation. Finally there is need for organisation staff or members that attend the orientation and trainings in M & E, report writing, financial and project management and other related trainings should orient other staff or members that did not attend the trainings or orientations.

Recommendations

Based on the research findings, the following recommendations have been considered to be of value and useful to various stakeholders of this research:

1. There is need for donors and other stakeholders to continue providing a comprehensive and clear explanation on the importance of RBM to partner organisations. This may help the partner organisations to appreciate and be committed to this new process of results-based reporting.

2. Organisations appreciate the importance of M & E processes, however low education levels among organisation members running the organisations or office bearers has remain a challenge to operationalise such processes. Therefore, tailor made
orientations and trainings in the M & E processes considering the fact that organisations are at varying levels and capacities are needed. This would help to strengthen the M & E processes in the organisations being supported.

3. The inadequacy of support entails that most of the organisations especially CBOs may face a numerous challenges to adapt to Results-Based approaches due to organisational inadequate capacities. Therefore, there is need for donors/funders to increase the budget allocation to M & E activities, provide adequate data capturing tools, and also to providing tailor made orientations and trainings in the M & E processes considering the fact that organisations are at varying levels and also capacities. This would help to strengthen the M & E processes in the organisations being supported.

4. To the Member Organisations there is need to improve and strengthen the data collection process through the use of data capturing tools shared by the donors, and to establish the filing system and documentation of data, success stories and other important information collected during the project implementation. Finally there is need for organisation staff or members that attend the orientation and trainings in M & E, report writing, financial and project management and other related trainings should orient other staff or members who did not attend the trainings or orientations.

**Conclusion**

From the findings it can be concluded that although organisations appreciate the importance of M & E processes, low education levels among organisation members running the organisations or office bearers has remain a challenge to operationalise such processes. Hence there is need for, donors, network organisations and stakeholders should continue to provide comprehensive and clear explanation on the importance of M & E/Result Based Management in the program so that partner organisations can appreciate and be committed to this new process of results-based reporting.

Furthermore, although M & E processes have some weaknesses and problems such as persistent lack of good and critical data, M & E enhances decision making; ensures implementation of program according to plans; enhances transparency and accountability of resources to the donors and other stakeholders; enhances performance in results-based reporting; and also act as the resource mobilisation tools for the organisation.

It can also be concluded that that the major challenges which Member Organisations face in the M & E processes included weak organisation capacity which mainly attributed to inadequate human resources, low education levels among organisation members, and lack of tailor made orientation in the M & E processes. The inadequacy of support entails that most of the organisations especially CBOs may face a numerous challenges to adapt to Results-Based approaches due to organisational inadequate capacities. Therefore, there is need for donors/funders to increase the budget allocation to M & E activities, provide adequate data capturing tools, and also to providing tailor made orientations and trainings in the M & E processes considering the fact that organisations are at varying levels and also capacities.

Conclusively there is need for donors to provide tailor made orientation and trainings in M & E and report writing; technical support and guidance; and increase budget allocation to M & E activities and also to employ the M & E Officer for project period. The sharing of the data capturing tools to meet the reporting requirements was one of the recommendations which came out strongly from the organisations to the donors. Furthermore, there is need for member for organisations to improve and strengthen the data collection process through the use of data capturing tools shared by the donors, and to establish the filing system and documentation of data, success stories and other important information collected during the project implementation.
Contribution to Knowledge

The research findings of this study, have contributed significantly to the body of knowledge in the area of results based management and or monitoring and evaluation processes. As earlier stated M & E enhances decision making; ensures implementation of program according to plans; transparency and accountability of resources to the donors and other stakeholders; value for money in relation to the performance in results-based reporting; and also act as the resource mobilisation tools for the organisation. It is from this background that results based management has become one of the conditionality’s for funding.

However, there has been very few research studies if any at all that have been conducted before by other researchers in results based management especially in the area of the support which donors provide to the partner organisations to strengthen the results- based management. Furthermore, there is nothing much researched on the challenges which partner organisations face to adapt to results- based management which is new concept. This is further evident in the literature review which shows abstract or general challenges in the field of results-based management. Therefore, the findings of this research study has identified the support which donors provide to the partner organisations, and all the challenges which partner organisations face in the of results- based management. Already the findings have revealed that three quarters of the organisations which participated in the study indicated that the support is not adequate.

Areas for Further Research

In this study, the major weaknesses of the results based management were not adequately fully investigated. Therefore, there is need to undertake a research study to understand the weaknesses of RBM as a science which promote accountability, effectiveness and resource mobilisation tool. This may help the donors, research institutions, Monitoring and Evaluation Centres to strategies how such weaknesses can be mitigated and or addressed.

Another area of interest that needs to be considered is to investigate the approach which donors use to provide supports to partner organisations. This is a realisation that three-quarters of the organisations indicated that support provided was not adequate. Hence another research study may provide recommendations how best the support approach could be refined.

References


Is provision of healthcare sufficient to ensure better access? An exploration of the scope for public-private partnership in India

Article by Bagenda Livingstone, Sabitri Dutta and Kausik Lahiri
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Abstract
Despite expenditure of 4% of GDP in 2012 on health, India failed to attain the Millennium Development Goals (MDGs) targets through the public sector structure alone. The article investigated the existing gaps between provision and access to health care by constructing the health infrastructure index (HII) and health attainment index (HAI) of two states of West Bengal (WB) and Maharashtra (MAH). Performance of three outreach programs was evaluated including; the Fair Price shops (FPS), the Rashtriya Swasthya Bima Yojana (RSBY), and the National Rural Telemedicine Network (NRTN).

Maharashtra (MAH) had infrastructure uniformly spread with higher HAI than WB meaning that creating better health infrastructure leads to attainment of better health. Hospitalization costs under the RSBY were higher for WB which had a high morbidity than MHA. Expansion of NRTN to remote places reduced on the non-medical costs incurred. The FPS was implemented only in WB and it allowed access to affordable medicines.

Combined implementation of the FPS, NRTN and RSBY yielded high benefit, addressing inadequacies in infrastructure, personnel and high cost of treatment including out of pocket expenditure. Therefore, the only hope lies in public private partnership (PPP).

Introduction
The journal under review was retrieved from a valid source with its official recommended citation; Dutta S, Lahiri K. Is provision of healthcare sufficient to ensure better access? An exploration of the scope for public-private partnership in India. Int J Health Policy Manag. 2015; 4(7):467–474. doi:10.15171/ijhpm.2015.77

The article review will briefly give a summary of the article and how it was structured. It will as well take a critical look at the literature reviewed and its effectiveness. In addition, the review will undertake a critique of the article in regard to its authority, accuracy, currency and relevancy. Important also under the critique is the article’s objectivity, the stability, the analysis of tables, as well as relating the topic to the recent advances and finally a conclusion will be drawn.

Despite significant expenditure of 4% of GDP in 2012 on health, India failed to attain the Millennium Development Goals (MDGs) targets through the public sector structure alone to deliver health services to her population. The authors tried to investigate the existing gaps between provision and access to health care which eventually influences service utilization and hence attainment of good health. In order to ensure access and utilization of the services, the health care facilities must be within reach of the target population at an affordable cost, minimizing out-of-pocket expenditure for the ordinary person. Public sector alone can hardly fulfill this and the only hope lies in public private partnership (PPP).

As per the findings, Maharashtra (MAH) state had health facilities uniformly spread and it was evident that access to provision of services was strong hence better health attainment as opposed to the West Bengal (WB) state. The article had a better interpretation of data from the different sources and provision alone does not warrant access to health care services.
Critical review

Review of literature

The study used the existing national data sources which were elaborately presented and analyzed in line with the study objective. These were credible national sources including the national health profile 2005 published by the central bureau of health intelligence of India. The document provided vital information used to construct the health infrastructure index (HII). Another document used was the national sample survey organization (NSSO) 60th round (2004) household survey which provided all household information. Data relating to the population was obtained from the national census of 2001. In addition, the national family health surveys (NFHS - 3), 2005-6 was a vital source for computing the health attainment index (HAI). The credibility of these sources cannot be doubted because they are government documents used for national planning. It is also noted that the authors used data obtained from the relevant official websites including specific information available from the respective state governments. This was to guide the analysis of the outreach programs of Rashtriya Swasthya Bima Yojana (RSBY) and National Rural Telemedicine Network (NRTN). Other relevant literature was looked up from the internet relating to the study.

Much as the credibility of the national source documents cannot be overlooked, it is noted that these were published way back between 2001 and 2006. A lot must have changed in the various areas, among others, of public service provision, poverty levels, health infrastructure provision and accessibility, health attainment levels and this can change the whole perspective on the articles findings. Therefore, relying on these data sources to prove the thesis cannot adduce adequate scientific evidence to reach a conclusion. On the other hand, most of the other reference materials seemed to be from recent publications. These were uprightly utilized, appropriately linked in text and effectively supported the authors’ arguments. Overall the literature was from credible sources and relevant to the study.

Article summary

The health infrastructure index (HII) and health attainment index (HAI) were constructed and compared between two states of West Bengal (WB) and Maharashtra (MAH). When the two states were compared, MAH had infrastructure uniformly spread with higher HAI than WB. Therefore, creating better health infrastructure leads to attainment of better health.

To further understand the access gaps and how these can be addressed, performance of three outreach programs was evaluated. These were; the Fair Price shops (FPS) to ensure availability of medicines at reduced cost; the Rashtriya Swasthya Bima Yojana (RSBY) to ensure cost of hospitalization is given back to households BPL; and the National Rural Telemedicine Network (NRTN) took care of the non-medical expenses incurred by the patients.

Hospitalization costs reimbursed to patients under the RSBY were higher for WB which had a high morbidity than MHA. It becomes less costly therefore, more beneficial to MAH which has uniformly distributed infrastructure and with less morbidity. Out of pocket gains to patients under NRTN program gave an overall higher benefit for MAH state than WB. Expansion of NRTN program to remote places reduced on the non-medical costs incurred. The FPS program was implemented only in WB and the retail prices on market were higher than when the drugs were sold in the fair price shops and this allowed access to affordable medicines. Combined implementation of the FPS, NRTN and RSBY yielded high benefit, addressing inadequacies in infrastructure, personnel and high cost of treatment including out of pocket expenditure.

Article structure

The article was well structured to allow chronological flow of information and easy to understand. It started with an abstract giving a snap short of the study background, methods employed, key results and a conclusion. Followed was the background that clearly
underscored India’s progress in health sector to achieve the MDGs including her efforts to engage the Public Private Partnership (PPP) approach.

The outreach programs introduced under the PPP were elaborately discussed and included the Fair Price Shops, the Rashtiya Swasthya Bima Yojana and the National Rural Telemedicine Network. In addition, the methods employed to arrive at the health infrastructure index (HII) and health attainment index (HAI) including how to assess the benefit – cost of the selected outreach programs were detailed.

The study depended on existing national data sources which were elaborately presented including the national health profile 2005 published by the central bureau of health intelligence; the national sample survey organization; the national census of 2001; the national family health surveys, with other relevant official websites and state government sources. Following this were the results which were clearly presented in relation to the two selected states of MAH and WB.

The discussions were then made with deep insight into the relevance and contribution of the selected outreach programs to improving access and attainment of good health among the BPL population.

A conclusion was drawn and it was clear that provision of health infrastructure does not ensure attainment not until these facilities are in the easy reach of the population in need and the entire system’s ability to minimize out of pocket expenditure. The national sources were of age ranging from 2001 national census, 2004 NSSO to 2005 national health profiles, therefore, the article leaves chance for further validation of the hypothesis based on updated data.

Authority

The source for the article under review was found to be “International Journal of Health Policy and Management.” It is an international peer-review journal which forms a platform for the dissemination of research related to the health policy and management. The authors had a commendable record evidenced by a number of publications related to health policy and management as this was established on the website. Furthermore, there was evidence that the others’ were affiliated to reputable institutions and these were the Dum Dum Motijheel Rabindra Mahavidyalaya institution found in Kolkata, West Bengal in India and the Surendranath College found in Kolkata, West Bengal in India. In addition, the major data sources were secondary, obtained from national documents whose content cannot be underestimated. It is upon these findings that the article commands authority.

Accuracy

The authors used credible sources of data and scientific methods were used to derive at the results. The findings were therefore accurate although a lot could have changed in the health sector by both the central and state governments in regard to among others, public service provision, poverty levels, health infrastructure provision and accessibility, health attainment levels and which could change the whole results if the national surveys were of recent or if primary surveys were conducted during the study. Therefore, relying on these data sources to prove the thesis cannot adduce adequate scientific evidence to reach a conclusion. Never the less, the results were accurately presented, discussed and a credible conclusion was drawn accordingly.

Currency

The article under review was a current publication. It was received on 8th November, 2014, accepted on 1st April, 2015 and published to the website on 8th April, 2015. The national source documents used in the article were the available national current documents, although the different indicators could have changed over the time from since they were gathered and published. Relatedly, most of the references used to back up the authors’ arguments were recent and within ten years of their publication. Except for one which dated
way back in 1990 but still provided valid information to support the study. As different member states in the world commit themselves towards achieving universal health coverage for the population, India is no exceptional. The article formed a very good landmark and resource document to guide the implementation of better strategies for achieving better health as a social justice and social development issue.

**Relevance**

Globally a number of countries are grappling to achieving good health for all and their approaches have always lacked clear policy guidance. An example is the Republic of Uganda, the health sector strategic plan II of 2005/2006 – 2009/2010 clearly revealed that health centers were constructed but there was a mismatch between the constructions and making these health centers functional, thence the strategy could not address access problems to health services. The article was therefore, relevant to inform policy makers and governments on how to adopt the PPP programs for better service delivery. The people in academia will find the article a good resource material for evidence based projects. However, in order to create more impact, further evaluation needs to be done using more recent data (once available) on infrastructure, population health status and current progress on the outreach programs of FPS, RSBY and NRTN.

**Objectivity**

The topic was objectively selected to address the critical policy challenge of how to work towards achieving universal health coverage while ensuring that the people especially below poverty line access quality services and minimizing out of pocket expenditures. The source documents and other reference materials were relevant to the study. The methodologies used to arrive at the results including the discussion of the results were based on facts as they were scientifically derived and these were objectively linked to the subject matter. The paragraphs were objectively linked to one another although most of them were long to be easily comprehended. Whereas key words were used in the article such as benefit-cost analysis, health infrastructure, health attainment, public private partnership, these were not directly defined.

**Stability**

Provision, access and attainment of good health are of global concern today. With population increase, changing environment and life styles, governments will remain challenged to provide affordable health services. In that respect, the article will remain relevant and stable as a resource for future studies and policy guidance.

**Analysis of tables**

Table1 showed the health infrastructure indices expressed as (HII_1) and (HII_2), and health attainment index (HAI) for the twenty eight states of India. There was good interpretation of the results relating the states values (of MAH and WB) to the all India average values. Although all values for the twenty eight states were for the construction of all India average, it is held as a reservation that the author would have presented in table values for only two states otherwise, the table looked crowded with redundant data. Table 2 showed data of different parameters to estimate the per capita net benefit of RSBY and NRTN in the two selected states. And these were clearly interpreted. Table 3 represented comparison prices for the drugs in the two states. Overall, the analysis of tables in the article was apt and they were chronologically placed.

**Recent advances related to the topic**

The article is a more recent publication of 2015 in the journal of international health policy and management. Detailed in the article are the existing gaps in provision and access. Further interpretation of the analysis and benefit-cost made on the three outreach programs of FPS, RSBY and NRTN all lead to addressing access issues.
It is evident that access to quality health care has attracted global concern. One of the recent advances related to the article is the launch of the access to health care interest group (on 27th January, 2015) by the Members of the European Parliament (MEP) (1). Europe has established health infrastructure however, the challenge lies in the fact that patients cannot access proper diagnosis and treatment.

Another related recent advance is the advent of the sustainable development goals (SDG) which recognize health as a development issue. The SDG goals no. 3 and no.6 with their defined targets address universal and equitable access to health services (2).

In the United States of America, the implementation of the Affordable Care Act in addition to the expansion of access to health insurance cover is once again a clear testimony that governments are to work towards achieving access to quality health care by all population (3).

In South Africa, the struggle to reduce child mortality rates as well as improving maternal health as part of the UN Millennium Development Goals (MDGs) has led to several innovations to address the access gaps. One of the recent innovations was the launch of the mobile clinic in May, 2015 by Phillips which was to serve the populated townships of Diepsloot, Orange Farm, and Cosmo City found in Northern part of Johannesburg. Relatedly, Royal Philips launched the new ultra-mobile ultrasound system VISIQ in South African Market. The technology is small device designed to help expectant mothers in remote and hard to reach areas to have their regular prenatal check-ups by clinicians in such remote environment (4).

Conclusion

The review summarized and critically analyzed the article cited as; Dutta S, Lahiri K. Is provision of healthcare sufficient to ensure better access? An exploration of the scope for public-private partnership in India. The article used plausible national data sources which included among others the national health profile, the national sample survey organization (NSSO) 60th round (2004) house hold survey, the national census of 2001 and the national family health surveys (NFHS - 3), 2005-6.

The provision of quality health services is of global concern today. However, despite significant investment on health, India failed to meet the MDG targets on health. The study revealed that there were gaps existing in the provision of health infrastructure and how these were accessed by the population. This directly proved that provision of infrastructure alone does not mean that the people who need the services can actually access it as a result of high costs related to medical and non-medical expenses as well as ill equipped health facilities in terms of basic equipment and skilled personnel. The implementation of the FPS, NRTN and MAH outreach programs proved more benefit accrued to the BPL population and thence addressing the access issues. It therefore, implies that the future of attaining access to universal quality health care lies in the public-private partnership.

References

The resource materials used in the study were obtained from credible national sources. They command a high level of authority and they were appropriately referenced at the end of the article.

Additional references were used to support the recent advances in relation to the topic were googled from the website and these are given below:


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Cultural Diversity and Its Implications on Managing the Modern Workforce with Information Technology.

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Abstract

Cultural diversity has become widespread within many organizations across the globe today. Cultural diverse work groups present challenges to the organization and to managers who did not receive training in diversity management. However, if managed well it can yield many advantages, such as developing employee and organizational potential to achieve the desired success of the organization. In this paper the management of cultural diversity is discussed with the focus on the main issues: people management and knowledge management. In order to optimize the positive outcomes of the modern workforce, Information Technology (IT) is the only relevant tool. Using appropriate technologies is shown to break down cultural barriers and promote understanding and knowledge sharing between employees of different language backgrounds and hence lead to successful collaboration.

Introduction

The area of concern of this paper is the dynamics of changes taken place in the workforce diversification of the workplace is mainly due to two factors namely: the changing composition of national populations and globalization. Research conducted by Mayo (quoted by Elmuti 2001) reveals increasing diversity to be a worldwide trend that extends to many countries around the world. This paper will focus much on the most important dimensions of diversity that must be faced by management, in cultural diversity, since this will increases with the changing composition of the workforce, the influx of international workers and increasing globalization of business.

Drawing upon issues frequently raised in the organizational literature, this paper will focus on three areas. The first section will briefly examine the implications of cultural diversity in the workforce: often cultural diversity is seen as a problem, but also important to stress that cultural diversity can also provide competitive advantage to any organization working in areas of globalization. The next section will focus on issues of managing cultural diversity, in particular people management and knowledge management. Finally, the role of IT in managing culturally diverse workforce is examined.

Implications for managers

If diversity is to be managed properly in order to foster better organizational performance, it is important for managers to understand and value cognitive diversity. One of the reasons is that the problems of today's business activities are complex to a higher extent than multiple years ago. Understanding the concept of cognitive diversity is therefore highly desirable for good management. Moreover, research projects are larger and more expensive, partly due to the economic hard times. Another result of the economic downfall is the greater need for innovation. Since competition increased significantly, companies have to diversify and innovate on fields other than their direct and indirect opponents. A last point of attention would include the essence of predicting the future becoming more important in the years that lay ahead of us.

Managers traditionally see cultural diversity as a problem to be dealt with. In fact, it can be a disadvantage or it can be a valuable resource to enhance competitive advantage. Here both sides of the question will be examined.
Disadvantages of a culturally diverse workforce

When change is not successfully managed in culturally diverse workforce the disadvantages can reduce the productivity of the company, cause financial loss by high turnover, absenteeism and lawsuits. Companies lose all the money invested in recruiting and training when a dissatisfied employee leaves. In addition, lawsuits on racial discrimination can also cause financial costs to the company (Daft 1997; Robinson and Dechaut 1997).

Reduced individual and organizational productivity is also a problem. Because when people experience prejudice and non-acceptance become less innovative and aggressive in pressing their ideas or in assuming leadership. They will not voice disagreement, because they want to be accepted, and time will be wasted due to poor communication and misunderstandings (Loden and Rosener 1991; Daft 1997).

Lastly, a less obvious impact is the tarnished corporate image that develops around employee dissatisfaction. If a corporation becomes known as one that alienates non-traditional employees, it will have a hard time finding qualified workers in periods of limited skilled labour supply (Daft 1997, Elmuti 2001)

Advantages of a culturally diverse workforce

By capitalising on the potential benefits of diversity, organizations will have added value and competitive advantage over organizations which do not respond to this challenge (Kandola and Fullerton 1994, Karpin 1995).

Firstly, if people feel valued regardless of their background, it will lead to increased commitment and productivity, and enhanced work relationships, and the recruitment and retention of the best employees (Loden and Rosener, 1991; Daft 1997).

Second, companies can drive business growth and improve customer service by involving their diverse workforce.

Third, organizations can expect enhanced creativity and problem solving from a diverse workforce.

Cultural diversity management issues

There are main issues in managing a cultural diverse workforce; namely, people management and knowledge management.

People management

Managers of every company have to recognise the differences and to value and use the unique strengths each person brings to the workplace. (Karpin 1995; Daft 1997). There are several beliefs and attitudes that can hinder the process.

1. Ethnocentrism is the belief that one's own group and subculture is inherently superior to other groups and cultures. These assumptions and inaccurate stereotypes hinder efforts to take advantage of unique talents and abilities. (Loden and Rosener, 1991; Daft 1997, Sadri and Trant, 2002).

2. The glass ceiling: The glass ceiling is "an invisible barrier that separate women and minorities from top management positions" (Daft 1997, p. 462).women and minorities can look up through the glass ceiling and see management but there are invisible obstacles that block their own advancement (Daft 1997)

Knowledge management

Knowledge management is the process of capturing, developing, sharing and effectively using organizational knowledge. It refers to a multi-disciplined approach to achieving organizational objectives by making the best use of knowledge. Harris (2001) states that knowledge is contained within the minds of employees, and is possibly the only resource that when used, can enhance the value of other capital and not diminish in value.
Managing a diverse culture with information technology

Information Technology can assist in managing cultural diversity in the workplace. Some international employees might find physical approachability to be more daunting than helpful because of language barriers between themselves and their managers. Communication and knowledge management tools such as email, intranets, videoconferencing, electronic bulletin boards, messaging systems and calendars, all help to foster good communication and collaboration, and sometimes help breakdown language and cultural barriers. E.g. videoconferencing is a good tool for cultural diverse workplace because, unlike more text-based IT, videoconferencing enables team members to see facial expressions, gestures and many other visual ones. Pauleen and Yoong (2001, p. 210) found that 'eyeing' people was important in relationship building and that videoconferencing generally enhanced social relationships by allowing people to ‘put a face to a name’.

Conclusion

Organizations with diverse employees are better suited to serve external customers in an increasingly global market. Such organizations have a better understanding of the requirements of the legal, political, social, economic, and cultural environments. The study also focuses on barriers encountered by employees for accepting workplace diversity in IT sectors in South Africa. The study highlights that ignoring diversity issues costs time, money and efficiency. Some of the consequences can include unhealthy tensions; loss of productivity because of increased conflict; inability to attract and retain talented people of all kinds; complaints and legal actions; and inability to retain valuable employees, resulting in lost investments in recruitments and training.

References

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Factors Affecting Sustainable and Quality Technical Vocational Training (TVT) Projects in Zambia

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Abstract

The purpose of this study is to investigate the factors affecting Sustainable and Quality TVT projects in public TEVET institutions in Zambia. Furthermore, the present challenges on the Technical and Vocational training has jeopardized the sustainability for Education in terms of quality project Training Delivery and provision of good service in Zambia. Therefore, the good corporate Governance is a cornerstone and hallmark of any successful entity be in health business, education or indeed any other undertaking in any sector.

The Zambian Government introduced "Management Boards initiative" for it to survival and produce positive results; however, in an effort to fulfill this obligation, the Zambian Government has encountered obstacles and Globalization challenges that have considerably weakened its role. Therefore, the policy of the management board and lack of suitable curriculum development have attracted debate in the Technical and Vocational training sector.

This study is therefore, an attempt to identify and discuss problems and constraints responsible for the declining standards (provision of quality training delivery) or total quality assurance in the Ministry of Education Science Vocational Training and Education Early Child (MESVTEE) and recommend possible remedies.

The need for understanding the study was based on the concept of embracing sustainability as the life blood. The Methodology research was guided by a qualitative mode of inquiry called Action Research as the primary methodology. Action research is simply a form of self-reflective enquiry undertaken by participants. Thus, three selected public TEVET institutions were used as a case study and targeted 150 total samples population in Lusaka. The instruments used to collect data were questionnaires, focus group, interviews and observation schedules. Data collected were analysed qualitatively.

The study also looked at factors that could affect Sustainable and Quality Project Training Delivery (SQPTD) either positively or negatively such as political impact, globalization impact, and economic impact, social and environmental impacts. The study made known that the Ministry of Science Technology, Vocational Training and Education Early Child (MESTVTEE) has been neglected and instigated by a complex set of challenges which include; decentralization of operations in public TEVET institutions and mismatch between training and needs of industry. Furthermore, the study revealed that Zambian people need sustainable curriculum that can answer their current problems. 4

It also provided the information that, SQPTD is a philosophy of continuous improvement which can provide public TEVET institutions with a set of practical tools for meeting and exceeding present and future TEVET graduates needs, wants and expectations.

This study therefore was an attempt to identify and discuss problems and constraints responsible for the failure of embracing sustainability as the driving force of SQPTD. Thus, to overcome these challenges, the study examined a key number of issues:

- Disregard of Sustainable and Quality Project Training Delivery (SQPTD).
- Disregard of labour-market and high unemployment rate among TEVET graduates.
- Criticism of Public TEVET Management Boards performance
- Inadequate funding of TEVET projects
- and lack of accountability in TEVET institutions
• Inadequate of training materials for TEVET students.

**Keywords:** Public TEVET institutions and Sustainable and Quality Project Training Delivery (SQPTD)

## Introduction

The purpose of this chapter is to introduce the background to the study and its justification. It will further discuss the Theoretical frame work of the study and highlight the outline of the study.

### Background to the study

Technical Education and Vocational Entrepreneurship Training (TEVET) play a critical role in the economic development of a nation. Although, due to their dynamic nature, public TEVET institutions, industry and society are constantly subjected to the driving change forces. Additionally, it has been observed that the existence of dilemma in the Ministry Education Science Technology and Vocational Training Early Education (MESTVTEE) is the result of wrong decision and the failure to identify the department in the education system that deserves large portion of funding. Thus, this impasse has negatively impacted on Sustainable Quality Training Delivery (SQTD) in Zambia (Technical Vocational Training ipedia, 2000, p1).

According to Technical Education, Vocational and Entrepreneurship Training (TEVET) News report (2011, p.3) the Zambian president Sata acknowledges that TEVET programmes have been neglected for a long time. It has not been receiving enough funding for improving access, quality and relevance of skills training through curriculum review. Curriculum review is vital more especially if it is able to enforce the Total Qualification Framework (TQF) which underpins the purpose of career progression path. Unfortunately the higher learning institutions such as University of Zambia and Cooper belt University are reluctantly accepting TEVET graduates’ credit transfers due to the fact that their curricula do not harmonize with each other. Thus, this challenge has continued due to lack of funding for curriculum review for both side.

Furthermore, Sata (TEVET New report, 2011, p. 3) affirms that “the majorities of our youths have poor education, have inadequate formal skills and consequently remain without jobs which would enable them to earn a living.” Lauglo and Lillis (1988) stated that the bottleneck which has preoccupied many countries for a long time is whether to concentrate investment in General Education (GE) or Vocational Education (VE). But, in human capital terms, GE creates “general human capital” and VE leads to “specific human capital”. The former has the advantage of flexibility and, therefore, the possibility of moving from one job to another, while the latter does not. Therefore, VE has the advantage of imparting specific job-relevant skills which make the worker more readily suitable for a given job and productive. Hence, both are important. It is in this light that most educational systems in African countries try to combine both general and vocational streams of education in varying proportions to suit their educational goals and aspirations.

Furthermore, although there had been a lot of effort directed towards improving Technical Education Vocational Entrepreneurship Training (TEVET) programmes in Zambia, the challenge still remains to the TEVET providers in Zambia due to the increase in demand for skilled personnel. According to Technical Education Vocational Entrepreneurship Training (TEVET) news report (2010, p.10) it has been revealed that TEVET providers have continued to produce half baked TEVET graduates. Hence, the industry has continued to re-train the TEVET graduates in order to enhance their effectiveness and efficiency particularly in their areas of specializations. Kanyansha the Technical Education Vocational Entrepreneurship Training Authority (TEVETA) Curriculum Development manager (TEVET News report,
2009, p. 10) affirms that “A curriculum which fails to take into account the needs of the industry will produce graduates who will fail to meet expectations from the same industry.”

The decentralization of operations in TEVET providers is also the source of concern. For instance the Zambian Government introduced the decentralization of training delivery which has currently jeopardized Sustainable and Quality Training Delivery. The researcher strongly believed that the move was political in the sense that the Government was too quick to implement decentralization of operations. However, it is vital to introduce the concept of decentralization of operations if adequate infrastructure, equipment and the latest technology are available in all 24 public TEVET institutions (TEVET news report, 2012, p.15).

Nevertheless, the economic standard of living has to be raised in Zambia, Sustainable and Quality Vocational and Skills Training would be the key for industrialization and computerization. It is not only about mass schooling or wide expansion of TEVET institutions and acquiring qualifications, but it is about economic needs for quality human capital that reinforces sustainability in the informal and formal sectors. Thus, the issue today in Zambia is not so much about the magnitude of TEVET but how to ensure its relevance, responsiveness and value in an increasingly global economy. Hence, there must be national standards in a training process and certification for improvement of quality and effectiveness in TEVET to meet the demands of labour market in and outside country. 18

Statement of the problem

There had been a lot of effort directed towards sustainable and quality training delivery Projects in the Technical Education Vocational Entrepreneurship Training (TEVET) programmes in Zambia. Despite these efforts the challenge still remains to all 24 public TEVET institutions in Zambia due to the increase in demand for skilled personnel. According to Technical Education Vocational Entrepreneurship Training (TEVET) news report (2010, p.10) it has been reported that TEVET providers have continued to produce half baked TEVET graduates. Hence, the industry has continued to retrain the TEVET graduates in order to enhance the effectiveness and efficiency of their performance mainly in their areas of specialization.

Furthermore, the core competences of public TEVET management boards are also the source of concern due to rapid new changes in the Quality Management System Implementation Policy (QMSIP) of Monitoring and Evaluation (ME) in the public sector. For instance the new rapid change was the decentralization of Training projects operations and the introduction of the management boards in all 24 public TEVET institutions in Zambia, regrettably this change has jeopardized Sustainable and Quality Training projects Delivery because the public TEVET providers still have outdated equipment, poor infrastructure and workshops due to inadequate funding (TEVET news report, 2010, p. 4).

Currently, the curricula harmonization is another critical challenge, since 1998 a series of TEVET programmes have outdated syllabi due to inadequate funding for curriculum review project; hence the Total Qualification Framework (TQF) has disastrous integrated into higher learning curricula (TEVET news report, 2012, p.15).

Nevertheless, the economic standard of living has to be raised in Zambia, sustainable and quality Vocational and Skills Training projects would be the key for industrialization and computerization. It is not only about mass schooling or wide expansion of TEVET institutions and acquiring qualifications, but it is about economic needs for quality human capital that reinforces sustainability in the informal and formal sectors and effective TEVET TQF for the purpose of career progression path.

Research questions

The study required to answer the following key research questions:

1. What are the problems and constraints affecting Sustainable and Quality projects Training Delivery (SQPTD) in Lusaka?
2. What are the capabilities of Public Technical Education Vocational Technology Entrepreneurship Training Institutions (PTEVTETIs) in executing SQPTD?
3. How do you sustain Quality Management System Implementation Projects in PTEVTETIs?

Overall Objective

The overall objective of this thesis is to investigate problems and constraints affecting Sustainable and Quality Technical and Vocational Training (TVT) projects in Zambia.

The specific objectives are

1. To identify the problems and constraints affecting Sustainable and Quality Training Delivery in Lusaka.
2. Discuss the capabilities of public Technical Education Vocational Technology Entrepreneurship Training institutions in Lusaka.
3. To assess how to sustain projects of Technical Education Vocational Technology Entrepreneurship Training in terms of Quality Management System Implementation.
4. To provide recommendations to public Technical Education Vocational Technology Entrepreneurship Training institutions on how to sustain Quality and Training Delivery.

Significance of the Study

It is hoped that the end result of this study will help out in identifying the numerous and complex problems of Public TEVET institutions, thereby upholding the TEVET policy, fascinating Public TEVET employees and increasing the knowledge of Sustainable Quality Projects Training Delivery (SQPTD). Furthermore, the study will provide suggestions and recommendations to address Quality Management System Implementation (QMSI).

Scope of the study

The study area will be confined to a case study of three public TEVET institutions in Lusaka. It will identify problems and constraints affecting Sustainable and Quality Projects Training Delivery.

Structure of the study

Chapter one; The purpose of this chapter was to introduce the background of the study statement of the problem, research questions, all over objective, specific objectives, significant of the study, scope of the study and structure of the study.

Chapter two; Literature Review will be introduced and discuss factors affecting Sustainable and Quality Technical Vocational and Training and capabilities of Management Boards in executing SQPTD in various public TEVET institutions.

Chapter three; It will describe the methodology that the researcher will apply in this study. Action research, research design, the sample selection and data collection process. Ethical considerations and research limitations

Chapter four; will discuss the findings of the study.

Chapter five; will analyze the results and discuss the analysis of data collected of its validity and reliability of findings.

In chapter six; will provide conclusion and recommendations for stakeholders of public TEVET institutions

Conclusion

This chapter has outlined the background of the study. It discusses the statement of the problem; it brings out research questions, all over objectives and the specific objectives, significance of the study, scope of the study and the structure of the study. The next chapter will discuss the literature review on factors affecting Sustainable and Quality Projects in public institutions. 21
Theoretical framework of the study

Black (1993: 25) defines theories as explanations of how things function or why events occur. Hussey and Hussey (1997: 123) define theoretical framework as a collection of theories and models from the literature which underpins a positivistic research study. Therefore, theoretical framework is a foundation for the parameters or boundaries of a study. Once these themes are established, researchers can seek answers to the topical questions they have developed on broad subjects and stay on point of the study tightly within the theme or topic. The study will build upon the understanding of key words such as TEVET policy, Ministry of Education and Science, Technology and Vocation Training and Early Education (MESTVTEE), TEVET Management Boards (TEVET MBs), Sustainable and Quality Projects Training Delivery (SQPTD), Total quality management (TQM) and Strategic Development for MESTVTEE.22

Figure 1. Sustainability holding Society and public TEVET institutions – Model

Interpretation of the Diagram (Sustainability holding public TEVET institutions and Society).

Figure 1 diagram shows how sustainability “holds” public TEVET institutions and society. There are four main features of good Governance that supports public TEVET institutions and Society. These four features include social responsibility, equity, accountability and transparent. Sustainability can be perceived as the “framework” holding public TEVET institutions projects and society. Public TEVET institutions and society are part of the framework which is supported by four main features of good governance. Sustainability strives for quality. Both Quality and Good governance are concerned with external and internal satisfaction. Sustainability is the critical thinking and reflection. It is the unique mental angle. The unique mental angle is a unique idea, and that unique idea is to serve others (society) without impartiality. Therefore, sustainability is the concept that needs to be understood on how it influences training delivery in all areas of education such as sustainable quality training delivery, sustainable curriculum review and sustainable Total Qualification Framework (United Nations 2004, p.1). Good governance is to serve others without impartiality. Good Governance relies on sustainability. Sustainability enhances commitment and promotes quality project training delivery. The features that can be used by stakeholders of public TEVET institutions are shown in figure 1 for executing actions upon sustainability.
Figure 1 indicates that nothing can work without sustainability; nothing can move without sustainability, nothing can improve without sustainability and nothing can change without sustainability. Therefore, stakeholders and the public TEVET staff have a major role in embracing sustainability as a driving force in order to avoid producing half baked TEVET graduates (Robert et al 2002). 24

Conclusion

This study looks at how TEVET system should be carried out and assists society in embracing sustainability for quality training delivery. It is also important to note that sustainability can serve as enabler and driver of green human resources development in the fulfillment of short and long-term goals. Furthermore, sustainable and quality has become a key in this millennium and contributes significantly to attaining the UN Millennium Development Goals (MDGs) and leapfrogging to the achievement of the objectives of the Decade of educational for sustainability development (DESD) (2005 -2015). Similarly in TEVET System, Zambian government has set out some objectives in the implementation of Vocational Training for sustainability.

TEVET systems play a crucial role in the economic development of a nation. Thus, the new knowledge the researcher wishes to put across is to ensure that the Government officials and those politicians in Government uphold sustainability as the framework for quality training delivery. Sustainability holds all public TEVET institutions and overcomes those factors which can negatively affect quality training delivery. One of these negative factors is inadequate funding for skills training. However, public TEVET Management Boards (MBs) as well must recognize that they are accountable for the resources made available to them by the state. Educators in public TEVET institutions should be accountable to the other stakeholders for what they do. Nevertheless, if public TEVET lecturers, trainees, parents and the wider community are accepted as stakeholders of TEVET system, the decision on what happens in public TEVET institutions and how it is done would not be the exclusive prerogative (privilege) of any one group, although some public TEVET Management Board members might have a greater say than other stakeholders. 25

Literature Review

Introduction to the Literature Review

Cooper and Schneider (2001, p. 23) state that Literature Review examines recent or historically significant research studies, company data, or industry reports that act as a basis for study. Creswell (2009, p. 23) affirms that Literature Review helps to establish whether the topic is worth studying or not, and it provides insight into ways in which the researcher can limit the scope to a needed area of inquiry.

Veal (1997, p. 9) further defines literature review as an evaluation report of information found in the literature related to your selected area of study. The review should describe, sum up, evaluate and clarify this literature. It should give a theoretical base for the research and help the researcher to determine the nature of the research. Furthermore, Shuttleworth (2009, p. 1) agreed that identifying relevant literature is a demanding task.

This chapter, however, will cover existing literature concerning problems and constraints affecting sustainable and quality TEVET system in Zambia. It will go further by identifying and analyzing the challenges affecting public TEVET institutions and by investigating how TEVET sustainability has been successively executed in Zambia.

Major problems and constraints in public TEVET institutions in Zambia

Introduction

Within the early 2000s, numerous concerns were raised due to new challenges such as social economic impact, globalization impact, regionally impact and SQTD challenges in
public TEVET institutions. As mentioned above the consequences of these major problems and constraints can be subdivided into the following challenges:

- Disregard of Sustainable and Quality Training Delivery (SQTD).
- Disregard of labour-market and high unemployment rate among TEVET graduates.
- Criticism of Public TEVET Management Boards performance
- Inadequate funding
- Lack of accountability
- Inadequate of training materials.

In an attempt to address these challenges, the researcher argues that the public TEVET institutions need to embrace sustainable and quality in order to align the TEVET programmes with market, especially the industry. Furthermore, public TEVET institutions are suffering from misappropriation of Government funds, misconception, and mis-match and mishandling the core competence of the sector.

TEVET is also regarded as the second or third or the last option for youth. Thus, Vocational training has been looked down upon as the options for those who are not able to take up higher education. For example, in Zambia TEVET has no curriculum that has link with all Government Universities such University of Zambia and Copper belt University. Therefore currently, there is no effective career path progression for TEVET graduates.

The researcher observed that white colour jobs are the most sought after while blue colour jobs in Zambia. Thus, TEVET graduates jobs are regarded for people with no other options.

Lwalanda (2007) in Uganda also noted that, “the reason why TEVET and sustainable and quality are not valued in developing countries is just because educated rate it to be for failures. Additionally, there is very little concern of skills training in the early years of children’s education which makes them hate technical education. Thus, even in Zambia this education is regarded as for failures in the academic path and the parents” only resort to it when their children fail.

Nevertheless, the researcher affirms that to achieve green TEVET curricula in Zambia, the MESTVTEE must focus on outcomes in the skills, knowledge and attitudes required in the industry. That is to say, MESTVTEE should be responsive to the demand of industry.

**Integration of Sustainable and Quality Project Training Delivery (SQPTD)**

The phrase sustainable development is often abbreviated to the single word called “sustainability.” However, the Brundtland Report (world commission on Environment and Development, 1987), commissioned by the United Nations to examine long – term environmental strategies, argued that economic development and environmental protection could make compatible but that would require quite fundamental changes in economic practices throughout the world.

United Nations (1987) defined Sustainable development as: “development that meets the needs of the present without compromising the ability of future generations to meet their own needs. Thus, sustainable strives for quality and not the number of TEVET institutions. 27 According to Welford (1993), sustainable development is made up of three closely connected issues and associated conditions. This includes:

- **Environment**: This must be valued as an integral part of the economic process and not treated as a free good. The environmental stock has to be protected, which implies minimal use of non- renewable resources and minimal emission of pollutants. The ecosystem has to be protected so that the loss of plant and animal species has to be avoided.
- **Equity**: One of the biggest threats facing the world is that the developing countries such as Zambia, want to grow rapidly to achieve the same standards of living as those in the west. That in itself would cause a major environmental disaster if it were modeled on the same sort of growth as experienced in post – war Europe.

Therefore, there must be needs of a greater degree of equity and the key issues of poverty to be addressed, but it seems there is hypocritical for the west to tell the third
world (Zambia) the truth that they cannot attain the same standards of living and consumption, due to the fact that developing countries are still lacking behold in terms of technology.

- **Positivity:** Sustainable development requires that society; public TEVET institutions and individuals operate on a different time scale than that which currently operates in the economy. While institutions commonly operates under competitive pressures to achieve short term gains, long – term, intergenerational considerations are observed, longer planning horizons need to be adopted and the TEVET policy needs to be proactive rather than reactive. Unfortunately, the Brundtland Report concludes that these three conditions are not being addressed in Africa.

**Quality Project Training Delivery (QPTD)**

President of Hewlett- Packard, Fortune (1985,) argues that in today’s competitive environment, ignoring the quality issue is tantamount to corporate suicide. Thus, public TEVET institutions should continually meeting trainee needs or what it takes to satisfy the trainee or simply fitness for purpose.

In Helene Giroux article on management fashions (2006) added that if quality is perceived as merely meeting technical specification only mediocre results will be achieved.

Juran and Gryn (1989) argued that quality means internal and external trainee (customer) satisfaction.

Nevertheless, a comprehensive definition of quality is provided by Galgano (1994), “quality, therefore, includes the following: competitiveness; deliver; cost; morale; productivity; profit; product quality; quantity or volume; performance; service; safety; concern for the environment and the stockholders interest. 28

Quality in service industries such as public TEVET institutions are more challenging to define because of three features unique to services” intangibility, heterogeneity, and the inseparability of production and consumption (Parasuraman et al, 1885).

Schneider and White (2004, p. 41) have provided some definitions as quoted from authors for considerations of quality as: “Quality is a consumer – generated comparative judgment, since individuals have no implicit sense of quality a standard is of comparison is provided” (Oliver, 1997, p. 163).

Quality is the extent to which the service process and the service organization can satisfy the expectations of the user. Service quality has been recognized as a key factor in differentiating service products. Therefore, trainee satisfaction can be secured through high quality training delivery.

Mushala (2011, p. 5) defines QMS as the recipe which ensures that the degree of superiority specified in QMS is attained. It is the sum of the activities and information an organization uses to enable it to better and more consistently deliver the products and services that meet and exceed the needs and expectations of its customers and beneficiaries, more cost efficiently, today and in the future.

The main purpose of QMS is about creating a “quality” culture across an organization, key consideration to QMS is continual improvement in quality, today and in the future.

QMS is more than assuring quality today. It is about maximizing the ability of the organization to consistently deliver quality products and services into the future. Nevertheless, Quality Assurance, Quality Audit and Quality Control are elements of QMS, but not the totality of the System. However, Quality Assurance does not essentially lead to achieving quality.

In the words of Mushala, quality is achieved efficiently when activities and related resources are managed as a process. Thus, for this to happen there is need for a systematic and planned approach. The system must have clearly defined processes and procedures that meet agreed requirements for the delivery of services.
In this way, the outcome of the process meets quality requirements and achieves customer satisfaction. However, it has been observed that both QMS and TQM mean customer satisfaction. Hence, they are interrelated in execution.

Public TEVET institutions in Zambia have a major challenge to prepare the present and future workforce especially those belonging to Small and Medium Size Enterprises (SMESs). Thus, to prepare the present and future workforce the Sustainable and Quality TEVET is the key to quality TEVET graduates (TEVET news Report, 2011, p.6). 29

The researcher strongly believes that public TEVET institutions which are not yet implemented TQM and total quality-related instruction in their curriculum/training programmes have a major responsibility to commence Sustainable and Quality Project Training Delivery (SQPTD) and developing their present and future workforce through the addressing of TQM concepts and associated methodologies for continuous improvement of the learning process. Furthermore, the major concern by the researcher is how to respond to problems and constraints affecting sustainable and quality in public TEVET institutions in Zambia.

The researcher observes that Zambia has continued to face challenges in how to sustain quality in public TEVET institutions despite the commitment to liberate youths through practical skills training.

**Sustainable and Quality TEVET curriculum**

**Introduction**

Taneja (2012, pp. 292-295) defines a curriculum as the instructional and the educative programme by following which the students achieve their goals, ideals and aspirations of life. The function of the curriculum can be made strikingly clear by regarding it as a road or a highway.

In the words of Taneja summaries that Curriculum is dynamic and not static. It has to be constantly changing according to changing needs, demands and aspirations of society. Furthermore, curriculum is the reflection of the aims of Education. Therefore, the Sustainable and Quality TEVET curriculum is the prerequisite of the Qualification Framework (TQF). According to TEVET News report (2010, p. 7) TEVET Qualification Framework (TQF) has been developed in order to enhancing career path for TEVET graduates in Zambia. Despite, the inadequate funding for curriculum review projects by the Government.

The TEVET Qualifications Framework (TQF) has finally been launched with a call to ensure that training standards and quality are upheld. TEVETA Board Chairman, Kalabo (2010, p. 8) said that, introduction of TQF ensures that the nation benefits from the skilled human resource that training providers continue to churn out onto the industry. Furthermore, the TEVET Qualification will enhance and build on what has been achieved over the past years in the TEVET institution, by taking into account the skills needs of the future.

Revitalize strategy (TVET 2007, p. 43) states that another significant step in the TEVET policy implementation process is the development of a National Vocational Qualifications Framework (NVQF). Furthermore, the development of a qualifications framework is a monotonous and arduous exercise that requires the participations of employers, industry experts, and technical teachers. 30

Nevertheless, an NVQF will prescribe proficiency requirements, qualification levels, as well as validation and certification standards. Although an NVQF is normally tailored to a country’s technological profile, it is necessary to keep in mind the need to link up national qualifications frameworks with regional frameworks. The objective here is to increase the portability of TEVET qualifications across national frontiers, such that TEVET becomes a factor of regional integration (Revitalize strategy TVET 2007, p. 43).

The researcher argues that despite that the Qualification Framework TQF has been introduced in Zambia, TEVET programmes are still considered for the less academically endowed. Thus, this perception has been fuelled by Government itself by stating that the primary objectives of the Vocational Training is the track to keep dropouts or “lockouts”
students who are unable to move up the educational ladder, not because of poor grades but because of lack of places at the higher level (TEVET News report, 2010, p. 7).

Furthermore, the researcher noted that TEVET graduates find it difficult if not impossible entering the Vocational Education stream to proceed to higher Education. TEVET Qualification Framework (TQF) which was introduced in 2010 has no effective direct link or progression to higher education in Zambia. For instance TQF level 6 which is the highest level of a three years Diploma has no efficient career progression path to any Government University in Zambia. Thus, it is still impossible to make TEVET less dead end in Zambia.

The researcher affirms that higher learning institutions complain that the curriculum of TEVET does not harmonize with the Government Universities in Zambia. Thus, it has been noticed that although TEVETA has already designed the progression career path for TEVET graduates it is still impossible for TEVET graduates to have access to higher learning institutions.

“In Africa, we are very good at drawing up strategies and plans but when it comes to implementation, there is always a difficult” (Revitalize strategy TVET 2007, p. 41).

The researcher concluded that some programmes of TEVETA do not even excite in public universities such as Degrees in Hospitality Management. Unfortunately, currently all Government Universities are not yet ready to introduce Hospitality Degrees in Zambia.

It is for this reason Private Universities took advantage to introduce Hospitality Degrees programmes although their QTD is still questionable due to the fact that the practical aspect of the training is not applied. Thus, 98% of their training is on theory aspect. Furthermore, the major challenge of TEVET TQF is the TEVET curriculum review which is not adequately revised since 1998. 31

Therefore, Figure 2 denotes the current career progression path for TEVET graduates in Zambia.

**Figure 2** Career progression path for TEVET graduates in Zambia

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**Research Methodology**

**Research Methodology**

Creswell (2003) defines research methodology as the procedural rules for the evaluation of research claims and the validation of the knowledge gathered.

This research will be guided by a qualitative mode of inquiry called Action Research as the primary methodology. Action research is simply a form of self-reflective enquiry undertaken by participants in social situations in order to improve the rationality and justice of their own practices, their understanding of these practices, and the situations in which the practices are carried out (Carr and Kemmis 1986, p. 162).
Overview

Action Research has its origin in the works of the social psychologist Kurt Lewin (1946). He developed the ideas of group decision and commitment to improvement at work situations (classroom and administrative). It is an act of analyzing a situation leading to certain action for improvement and evaluating the result of the tried out action. Action research is focused on immediate application. It places the emphasis on the problem here and now, in a school setting. Its findings are to be evaluated in terms of local applicability and improvement in school practices. The whole purpose of Action Research is to involve classroom teachers to attempt to solve their classroom problems.

Rationale for Action research methodology

The researcher strongly believes that the heart of action research is to learn from your experience and apply that learning to bring the change in society. Action research is more applicable than main streams research methods in situations requiring responsiveness and flexibility and action. Thus, action research is more relevant for practitioners or specialists of Vocational Training.

The best reason for choosing it is that it fits the researcher’s preferences to ensure that the society and stakeholders embrace the sustainability as the life blood (Lewin 1948). Warican (2000, p. 2) argues that the core goal of action research is to create sustainable learning capacities and give participants the option of increasing control over their own situation.

Edge (2003, p. 39) saw action research as a rigorous investigation which sets out to improve the sustainable and quality training delivery base on experience and outcome available to participants in a given situation. Furthermore, action research can help a researcher to fill the gap from theory to practice in the vocational training (Mc Niff, Lomax Whithead 1996, p. 13) 33

Process on the Action Research cycle

Action research is the process of systematic collection and analysis of data in order to make changes, improvement and solve challenges affecting SQDT in public TEVET institutions (Wallace 1998: 1 and Quirke 2001, p. 14). Nunan (1992, p. 19), Nunan (1993, pp. 41- 42) and Bailey, Curtis and Nunan (2001, p. 137) described the process of action research as a series of step:

Figure 5 Steps on the Action Research cycle

Source: Nunan (1992, p. 19) 34

*Step 1: Problem Identification.*
Researcher identified problems that had occurred in the public TEVET institutions from previous experience.

**Step 2: Preliminary Investigation.**
Researcher further investigated public TEVET lecturers’ feelings towards their problems and consulted other departments about problems.

**Step 3: Hypothesis.**
Researcher formed the hypothesis that most stakeholders in the public TEVET institutions lacked ability to embrace sustainability as a life blood, because they had developed negative attitudes toward Sustainable and Quality Training Delivery (SQTD).

**Step 4: Intervention.**
After observing the challenges of public TEVET institutions and forming the hypothesis, the researcher identified strategies that could solve problems defined by the hypothesis.

**Step 5: Evaluation.**
In this step, the researcher worked through the stages of: act, observe, reflect and revise to evaluate the TEVET policy outcomes in terms of activities, materials, classroom atmosphere and Management Board’s (MoB’s) role.

**Step 6: Dissemination.** Reporting the results was the focus of this step.

**Step 7: Follow-up.**
Changing to improve for the next cycle was discussed in this step.

Farrell (2002: 25) provides six ways of sharing private reflections with others: getting a group of lecturers together to talk about SQTD, collecting data from public TEVET lecturers and other members of public TEVET institutions and sharing this data with the group for discussion, self observation in the actual environment, journal writing for reflection and comments by group members (see appendix A). 35

**Limitations of Action Research**

Ghosh (2008) observed some of the costs of choosing action research as the research paradigm:

1. Within psychology this is a greater issue for fourth year theses than it is at Masters Level and beyond. It is also more of a source of difficulty in academic psychology than in many other disciplines.
2. You probably can’t use a conventional format to write it up effectively. Again, that means you have to learn some new skills.
3. In psychology there is a strong expectation that the format recommended by the American Psychological Association (APA) will be used. A non-APA format may alienate some examiners. Again, this may be more of an issue for people working within the discipline of psychology than in some other social sciences. However, most disciplines have their ideologies about how research should be reported.
4. The library work for action research is more demanding. In conventional research you know ahead of time what literature is relevant. In most forms of action research, the relevant literature is defined by the data you collect and your interpretation of it. That means that you begin collecting data first, and then go to the literature to challenge your findings. This is also true of some other forms of field research, though certainly not all.
5. Action research is much harder to report, at least for thesis purposes. If you stay close to the research mainstream you don’t have to take the same pains to justify what you do. For action research, you have to justify your overall approach. You have to do this well enough that even if examiners don’t agree with your approach. They have to acknowledge that you have provided an adequate rationale. (This may be true for other methodologies outside the research mainstream too.)
6. An action research thesis is likely to be longer than a conventional thesis. As already mentioned, you have to provide a more compelling justification for what you do. In effect, you have to write two theses. One reports your method, results and
interpretation. The other explains why these were appropriate for the research situation. In addition, if you use qualitative data (and you probably will) that also tends to take more space to report.

**Advantages of Qualitative methodology**

The difference between action research and other researches is in emphasis, not in the method or spirit. However, there is a need to understand how it differs from other researchers. Action research is the research undertaken by practitioners so that they may improve their practices. It has most of the characteristics of fundamental or applied research. But its methodology is not as rigorous as that of fundamental or applied research. 36

The findings of action research are evaluated in terms of local applicability. The application of findings is „here” and „now”. Action research is not a library project in which you learn about a particular topic by collecting information from either the books available in the library or by using the Internet. For example, if you want to undertake a project about finding out the „life during the Indus valley civilization”, then you would go to the library, collect the relevant data and write the report in the narrative form.

Action research also does not aim at finding solution to the problem in the sense of trying to find out what is wrong, but rather its aim is to suggest the measures about how to improve one’s own situation.

**Research Design - Case Study Design**

Young (ref) describes that case study as a method of exploring and analyzing the life of a social unit, a person, a family, an institution, cultural group or even the entire community. Case study has its roots in clinical observation. It is diagnostic in nature. It is a form of qualitative analysis involving a very careful and complete observation of a person, a situation or an institution. For recording what is being observed a case-study sheet is developed which documents the identity of the subject, the problem, observations made, planning of remedial action and findings.

Cooper and Schindler (2003), state that a research design is the blueprint for fulfilling objectives and answering questions. Research designs are about organizing research activities, which include the collection of data, in ways that are most likely to achieve the research aims. However, this research design includes ontological and epistemological issues on how society should move towards SQTD (Bakisa, 2008, p. 1). Thus, the following are the issues concerning research design ontology and research design epistemological:

**Research Design ontology**

According to Yin (2002) case studies are vulnerable to a number of criticisms from positivist researchers. He further argues that case studies contend a lot of criticisms because they do not have the rigour of natural scientific designs. Case studies rarely allow generalization to be made from specific cases to the general population but produce huge piles of data that allows researchers to make interpretations they want.

Smith et al (2008, p. 97) contends that all case studies should have clear design produced before any data is collected and should cover the main questions or propositions, the unit of analysis, links between data and propositions and procedure for interpretation of data. 37

In sociological terms ontology refers to the fundamental beliefs individuals holds or as a society about the nature of SQTD (Buksa, 2008, p. 1).

Ontology is based on the assumption we make about the nature of reality (crotty, 2003). Thus, ontology relates to a researcher’s belief whether society is embracing sustainability in Vocational Training or not. Furthermore, to ensure the positivism and verification of facts in the case study the researcher had to use one hundred and fifty (150) questionnaires to examine three (3) selected public TEVET institutions within Lusaka.
Research Design Epistemology

According to Bukisa (2008, pp. 1-2) Epistemology refers to the types and levels of proofs. Thus, proofs can be based on trust, faith, personal experience, logic and empirical evidence. Therefore, the epistemology suitable to use in this case study is a positivist research design which states that:

“Positivism Research methods usually incorporate the assumptions that there are true answers, and the job of the research is either to start with a hypothesis about the nature of the world, and then seek data to confirm or disconfirm it”, (Smith, 2008, p. 84).

The key idea of positivism is that the world is governed by laws just like in natural science. Therefore, the task of sociologist is to discover the laws of behaviour of people for example in a given context (Bukisa, 2008, p. 2). In this study the researcher’s approach is based on the lookout for data and then adjusting the trend at the hand of the information gained from 150 questionnaires.

Limitation of case study

Ghosh (2008, pp. 227-228) states that the case study method has some limitations and difficulties. Due to the following reasons:

1. In case study method, a researcher becomes over – confident. Since he/she studies various aspects of the life of an individual, he thinks that he knows everything about that person. But it is seen very often that many other aspects of life were hidden about which the respondent himself was ignorant.

2. Difficulties in Collection of Historical Data: Through this method proper data collection is very difficult. This is because generally the respondents do not reveal the actual facts to the researchers.

3. Expensive in Nature: The time and money required for this study are sometimes prohibitive.

Instruments or tools of data collection

In accordance with action research methodology the following tools or instrument were selected for the collection of the data:

Questionnaires

According to Ghosh (2008, p. 240) a questionnaire method is that method in which a number of printed questions are used for collecting data. In this study a structured questionnaire was selected. In structured questionnaire; contains definite, concrete and pre-ordained questions. This type of questionnaire is prepared in advance and not on the spot during the questioning period.

Pre- testing

A pilot test of the questionnaire was performed at Lusaka Business and Technical College (LBTC) before focus group meetings took place. The structured questionnaires were piloted on ten (10) different people. However, these people were not involved in the full study, but were simply used as a comparable to participants in the full study (Ghosh, 2008). Thus, the pilot study allowed the researcher to identify any problems in the questionnaire, for instance misleading instructions or confusing questions. Hence, during the pilot study several misleading instructions were identified and rectified. After changing the instructions, the questionnaire was piloted again on the same group of people to see if there was any further problem.

Population and sample size

Stratification of the population size in twenty four (24) public TEVET institutions in Zambia that were perceived to provide the empirical data could not be captured due to geographical distances challenges, limited time and financial constraints. However, the
researcher selected Three (3) public TEVET institutions within Lusaka because the researcher believed that the factors affecting Sustainable and Quality TVT in twenty four (24) public TEVET institutions were similar.

**Target Population and Sampling Size**

According to the case study one hundred and fifty (150) people were targeted as sampling of the study from Three (3) selected public TEVET institutions within Lusaka. Although, Lusaka as a capital city of Zambia has a population of 2 million people (Africa Travel Magazine’s Great Cities of Africa (ATMGCA), 2013). Out of this targeted population, the researcher prepared 150 structured questionnaires as shown in the appendix A for public TEVET lecturers in order to support the focus group discussion.

Additionally, qualitative data collected were supplemented by a structured- mixed questionnaire which consisted of open and closed questions. Thus, open questionnaire is used in cases where new facts are to be searched (Ghosh, 2008, p. 241). Thus, in this type of questionnaire a respondent is free to express his views and ideas. While closed questionnaire is used when categorized data are required. Here, the informant chooses the answer from a set of provided responses. Thus, the respondent has no liberty to express his own judgment (Appendix A). 39

**Interviews**

Interviews – Interviews have been considered as a very effective form of gathering information relating to understanding of phenomena. However, Ghosh (2008, p. 254) argues that the types of interviews can be classified according to subject matter of the study, purpose of the study and formalness of the study:

**According to Subject Matter**

According to the Methodology or subject matter the researcher selected Qualitative interview. Qualitative interview consists of certain complex, serious and non – quantifiable subject – matter.

This interview is confined to exploring the causes of some events. Sometimes it is called Diagnostic interview. However, although the researcher selected the qualitative interview, they are other types of interview:

1. Quantitative interview; certain set facts are collected about a large number of persons, as in census.
2. Mixed interview; is a method where both types of data are required. Some of the data may be quantifiable and some not.

**According to purpose**

Every interview is done with certain aim or purpose in view. In this case the researcher selected a Research Interview (RI) in order to collect information about factors affecting SQTVT in Zambia.

**According to Formalness**

According to for formalness of the study, the researcher used two main types of interviews in order to collect detailed information affecting SQTD in Zambia. Thus, the following are two main types of interviews:

1. Structured interview;
2. Unstructured interview

Structured interview is a complete set of well – defined questions used in the questionnaire interview. In this method, highly standardized techniques of recording are used. In structured interviews, generally even the alternative questions are fixed. Thus, the interviewer has to act according to the written instructions given in the schedule. While in unstructured interview the interviewer / researcher does not follow a pre- planned list of questions.

15
The researcher/interviewer enjoys full freedom to ask respondents. Thus, this type of interview was chosen due to the fact that the researcher had a deep knowledge and skill on the part of the study.

Nevertheless, in the opinion of Johan Gaultung, “the advantage of unstructured response is to be imprecise; that they permit the unexpected response” (Ghosh, 2008, p. 256).

**According to Number**

Group interview and individual interview were selected and facilitated by the researcher:

1. Individual Interview: In this type of interview a single individual is interviewed. Interpersonal contact between the interviewer and interviewee can be established.
2. Group interview: In this type of interview, a group of persons are interviewed for collecting information from them. This method economizes both time and money (Ghosh, 2008, p. 257).

**Focus Group**

According to Bowling (2002, p. 394), focus groups are unstructured interviews with small groups of people who interact with each other and the group leader.

Kitzinger (1994, p. 103) defines Focus Groups as Group discussions organized to explore a specific set of issues. They have the advantage of making use of group dynamics to stimulate discussion, gain insights and generate ideas in order to pursue a topic in greater depth.

According to Kreuger and Casey (2000) the achievement and prospective of focus groups aroused interest among social scientists in the early 1980s, especially in applied research. Morgan and Spanish’s publication in 1984 drew attention to focus groups as a method for qualitative research in social sciences. Since then the growing success of this method is evident in Morgan’s estimate that social sciences journals are currently publishing more than 100 articles per year using focus groups” (Colucci, 2007, p. 1423).

The 1990s witnessed focus groups methods gain standing in their use and the term itself becoming a mantra in a variety of fields. With this increasing popularity, there however emerged pseudo-controversy as to what really constitutes a focus group.

Affirming this viewpoint Linhorst (2002, p. 209) asserts that with the rise of focus group popularity “a lack of agreement emerged on what constitutes a focus group and there has been a tendency to mislabel many group activities to be focus groups”. However, there is a general recognition of the character of contribution that focus groups make to social research such as organized discussion (Kitzinger, 1994, p. 103).

**Sampling strategy**

In accordance with action research Methodology the researcher selected the purposive sampling during the focus group meeting that took place at TEVETA headquarters as criteria of selecting ten (10) participants per session. Purposive sampling is a deliberately no-random method of sampling, which will aim to sample a group of people, or settings with a particular characteristic; usually in qualitative research designs.

It is also used in order to pilot questionnaires or generate hypothesis for further study. This is sometimes called judgment sampling, where respondents are selected because they have knowledge that is valuable to the research process. Thus, public TEVET Lecturers were selected within the case study to discuss the factors affecting SQTVT in Zambia.

**Administering of questionnaires**

Base on the above information, 150 structured questionnaires were prepared to interview public TEVET employees. The researcher managed to administer and analyze all 150 questionnaires. Thus, 100% responded successfully.

In table 5 below is a listing of three public TEVET institutions that were specific for case study. According to Kwortnik (2003), “a minimum sample size of twelve is suitable for
qualitative research projects for which the main goal is deeper understanding of a phenomenon”. Thus the sample was sufficient to meet the criterion.

### Table 5 Schedule of Respondents involved in the public TEVET institutions case study:

<table>
<thead>
<tr>
<th>Public TEVET Staff</th>
<th>Questionnaire</th>
<th>Gender %</th>
<th>Completed Answering %</th>
<th>Total Respondents %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td></td>
<td>26.7%</td>
<td>26.7%</td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td></td>
<td>73.3%</td>
<td>73.7%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Strengths and limitations of focus groups

A focus group method like all other research techniques presents both opportunities and challenges. In studying issues surrounding socially marginalized groups, focus groups have been found to be of great significance. They help elicit stories and in-depth explanations of people’s thoughts and experiences and hence allow the researcher to observe different perceptions on an issue and understand what is salient about that issue (Church & Rogers, 2006). This has an empowering effect on the part of the participants (Chambers, 2000), and consequently this builds trust in the group and wider community in general.

A central aspect of focus groups is the process of interaction. Kitzinger (1994, 1995) suggests that interaction within the group by way of speech or language, gestures and silences, is a fundamental aspect of focus group because it highlights their view of the world and their values and beliefs about a situation. Interaction also provides opportunity for participants to re-evaluate their specific experiences.

Lankshear (1993) affirms that if multiple understandings and meanings are revealed by participants, multiple explanations of their behaviour and attitudes will be more readily articulated.

### Why use focus groups for this study?

The main reason for using focus group method in this research is to draw upon the participant’s attitudes, feelings, beliefs, experiences, and reactions in a way that would not be possible and reasonable through other methods such as questionnaire surveys. SQTD is the major challenge in all public TEVET institutions in Zambia. Thus, the researcher wished to carry out an investigation and identify the factors affecting SQTD. While these factors affecting SQTD are likely to be discovered through social gathering which focus groups interaction facilitates.

An intrinsic value of focus groups is that the researcher, together with the respondents, become essential components of a system of co-learners and co-participants in a potentially transformational process of dialogue aimed at effecting “positive social change” (Brydon-Miller, 1997, pp. 660-661).

The researcher observed that focus groups can enhance local people’s awareness and confidence and empower their action towards SQTD. This believes can occur when public TEVET lecturers and students participate and interact through dialogue in generating knowledge about SQTD. The researcher strongly believes that sustainable TEVET is an engine of economy. For instance Germany is one developed countries day because of Sustainable and quality TVT (Helmut Reutter, 2013).

In addition, using focus groups would help the researcher to obtain critical qualitative information on the levels and character of group “insights into the sources of complex behaviours and motivations” under respectful conditions for such “emotionally charged” discussions (Morgan & Kreuger, 1993, pp. 16-18). Again, focus groups would allow the researcher to obtain larger volumes of data within a shorter period of time compared to observation, questionnaire surveys, or one-to-one interviews. 43
Ethical considerations of focus group

Examinations of the literature on the use of focus groups in general and in particular, factors affecting SQTVT, revealed very little on the sustainable TEVET MBs, due to confidentiality of information in the operations of public TEVET institutions, besides the availability of the TEVET policy in place. It is for this reason that the researcher would wish to protect the names of participants by referring them as “respondents” as indicated in figure Francis (2005) and Smith (1995) echoed that privacy and confidentiality are essential concerns. This is for the reason that the focus groups process involves the sharing of information with both the researcher and other participants.

It is therefore important to ensure that the process is not damaging to the participants and, that participants are comfortable and free to tell information on the issue under study. Vissandjee et al., conclude that “researchers have the obligation to reassure participants that their words will not come back to haunt them and will not be shared with family or other community members” (2002, p. 835). However, Smith (1995) indicated that the researcher can never totally ensure confidentiality as he/she cannot have control over what participants disclose to other community members once the focus group is over.

The general ethical principles governing the study will be that of the respondents to give informed consent to participate in the study. The consent will be in writing (an agreement to participate and to be signed by the participants), and will be requested after they are given written information about the aims of the study, confidentiality and anonymity, and what it involves in relation to the participants (risks, discomfort, benefits, procedures, questionnaires).

Participants will be informed that they are free to withdraw at any time, and the researcher will answer any questions they may have about the study.

This voluntary consent will safeguard the freedom of the participants to choose to participate in the study or not and is intended to reduce the legal liability of the researcher. Permission to conduct the research will be sought from the University.

Observational processes tend to wait for things to happen naturally, whereas a focus group uses an interview guide with a group at a pre-determined time. Thus, the researcher used an interview guide in order to gather the empirical data.

Data Analysis strategies

In this study the researcher used the following data analysis strategies:
1. Qualitative Analysis of Content
2. Emerging themes
3. Coding

Computer Support for Qualitative Content Analysis

In this study SPSS software was used to support Qualitative content analysis and coding qualitative data analysis (see charts and graphs in chapter 4). However Qualitative content analysis and coding process are usually supported by computer programs, such as SPSS. The programs vary in their complexity and sophistication, but their common purpose is to assist researchers in organizing, managing, and coding qualitative data in a more efficient manner.

Reliability of the research data

Ultimately, the data collected is used to inform the research findings. If the data is not verifiable, the implication is that findings are potentially suspected. Thus, it is incumbent upon the researcher to validate his/her findings (Sekaran, 2003). Furthermore, a study is reliable only if another researcher, using the same procedure and studying the same phenomenon arrives at similar, comparable findings.

It is also important that the researcher maintains a comprehensive protocol of this study in case others may be interested in checking its reliability (Sekaran, 2003).
Trustworthiness

Validity, reliability, and objectivity are criteria used to evaluate the quality of research in the conventional positivist research paradigm. As an interpretive method, qualitative content analysis differs from the positivist tradition in its fundamental assumptions, research purposes, and inference processes, thus making the conventional criteria unsuitable for judging its research results (Bradley, 1993, p. 436).

Recognizing this gap, Lincoln and Guba (1985) proposed four criteria for evaluating interpretive research work: credibility, transferability, dependability, and conformability.

Credibility refers to the “adequate representation of the constructions of the social world under study” (Bradley, 1993, p. 436).

Lincoln and Guba (1985) recommended a set of activities that would help improve the credibility of your research results: prolonged engagement in the field, persistent observation, triangulation, negative case analysis, checking interpretations against raw data, peer debriefing, and member checking. 45

To improve the credibility of qualitative content analysis, researchers not only need to design data collection strategies that are able to adequately solicit the representations, but also to design transparent processes for coding and drawing conclusions from the raw data. Coders’ knowledge and experience have significant impact on the credibility of research results. It is necessary to provide coders precise coding definitions and clear coding procedures. It is also helpful to prepare coders through a comprehensive training program (Weber, 1990).

The researcher is often confronted with a variety of variables which may impinge upon the reliability of his /her findings even though his/her intentions in minds mean well. Even if the researcher draws his/her conclusions on the basis of questionnaire and interview data, the feedback could be biased may be the respondents were in the mood not answer the questions with any degree of interest. However, research scholars advise researchers to carefully select their respondents that are willingly to participant in the study (Hair et al., 2005).

Data Validation

According to Saunders et al (2000) contends that a research is valid only if it actually studies what it set out to study and only if the findings are verifiable. Furthermore, Saunders et al. (2000) explains that constructing validity entails accurate operational measurements for the research’s core concept. Below are three methods for establishment validity:

1. A chain of evidence throughout the data collection process.
2. Verifying key information through the use of multiple sources of information.
3. Presenting informants with a draft of the study for review.

Yin (1989) argues that besides establishing construct validity researches need also to establish external validity by testing the applicability of the findings to external case studies.

Conclusion

Qualitative content analysis is a valuable alternative to more traditional quantitative content analysis, when the researcher is working in an interpretive paradigm.

The goal is to identify important themes or categories within a body of content, and to provide a rich description of the social reality created by those themes/categories as they are lived out in a particular setting. Through careful data preparation, coding, and interpretation, the results of qualitative content analysis can support the development of new theories and models, as well as validating existing theories and providing thick descriptions of particular settings or phenomena (Weber, 1990). 46
Research Findings and Discussion

Introduction

This chapter includes empirical findings from the Public TEVET institutions’ questionnaires completed during the focus group discussion and interviews by the respondents. Firstly it will provide analysis of Public TEVET lecturers’ interviews. Furthermore, it will analyze the empirical findings from public TEVET MBs’ semi-structured questionnaires.

Research Finding

Following the completion of transcriptions of all focus group discussions, the qualitative data was analyzed by structured techniques such as contents analysis, Emerging themes and coding (Huberman and Miles, 1994).

Data Analysis Procedures

The main research method for data analysis of this research is on factors affecting sustainable and quality TVT. In the provision of SQTD analysis the researcher included the use of focus group discussions for public TEVET lecturers and semi-structured interviews for public TEVET students in the action research methodology as a preliminary study. However, the tables will guide in the process of the empirical findings of this study.

Analysis of public TEVET institutions interviews

The Researcher and Respondents

In order to respect the anonymity of the interviewees, their names have been replaced with the word “respondent”. The summary of interview responses is included in (Appendix A) a brief explanation in the following paragraphs.

Table 8 Do you think it is the good idea for the Government to abolish all management Boards in public TEVET institutions?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>45</td>
<td>30.0</td>
<td>30.0</td>
<td>30.0</td>
</tr>
<tr>
<td>Yes</td>
<td>102</td>
<td>68.0</td>
<td>68.0</td>
<td>98.0</td>
</tr>
<tr>
<td>None response</td>
<td>3</td>
<td>2.0</td>
<td>2.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Although table 8 indicates that 68% lecturers wanted to abolish all MBs in 24 public TEVET institutions some other respondents indicated that MBs could remain and continue serving the administration staff such as principals, vice principals and financial managers as shown in cross tabulation table 10.

Educational and Vocational Constraints and Opportunities

According to Appendix A the researcher interviewed 150 employees from three public TEVET institutions and the findings were recorded according to the tables below:

Table 32 Do you have a TEVET Policy implementation monitoring mechanism in place?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>101</td>
<td>67.3</td>
<td>67.3</td>
<td>67.3</td>
</tr>
<tr>
<td>Yes</td>
<td>39</td>
<td>26.0</td>
<td>26.0</td>
<td>93.3</td>
</tr>
<tr>
<td>None response</td>
<td>10</td>
<td>6.7</td>
<td>6.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 32 indicates that not all 24 public TEVET institutions have a TEVET policy implementation monitoring mechanism in place. Thus, out of 150 total samples population interviewed 67.3% observed that MBs have not adequately enforced the TEVET policy implementation monitoring mechanism (Appendix A).
Table 40 How often are TEVETA curricula revised and updated?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>After two years</td>
<td>23</td>
<td>15.3</td>
<td>15.3</td>
<td>15.3</td>
</tr>
<tr>
<td>After more than Two years</td>
<td>123</td>
<td>82.0</td>
<td>82.0</td>
<td>97.3</td>
</tr>
<tr>
<td>None response</td>
<td>4</td>
<td>2.7</td>
<td>2.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 40 indicates that due to inadequate funding by the Government TEVETA is unable to revise and update all curricula adequately. Thus, out of 150 total samples population interviewed (82%) confirmed the TEVETA curricula are outdated. Hence the industry is often ahead of the Vocational Training. Furthermore, TEVET graduates are unable to cope with new technology of the current industry.

Table 41 Do TEVETA curricula align with Zambian public Universities curricula?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>111</td>
<td>74.0</td>
<td>74.0</td>
<td>74.0</td>
</tr>
<tr>
<td>Yes</td>
<td>28</td>
<td>18.7</td>
<td>18.7</td>
<td>92.7</td>
</tr>
<tr>
<td>None response</td>
<td>11</td>
<td>7.3</td>
<td>7.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 41 confirms that career progression has been a major challenge for TEVET graduates. Thus, out of 150 public TEVET employees interviewed 74% confirmed that the TEVETA curricula do not align with Zambian public universities. Furthermore, this response discloses why they are fewer degree holders’ lecturers in all public TEVET institutions. TEVET graduates and their lecturers are facing similar challenges of career progression because Zambian public Universities are unwillingly to accommodate the TEVETA curricula and provide exemptions to TEVET graduates.

Financial and Technology Challenges

The researcher went further to interview 150 public TEVET employees from three public TEVET institutions in order to assess their financial and technology challenges. Below are tables disclosing the financial and technology challenges of public TEVET institutions:

Table 45 Does the Government fund the public TEVET institutions adequately?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>108</td>
<td>72.0</td>
<td>72.0</td>
<td>72.0</td>
</tr>
<tr>
<td>Yes</td>
<td>30</td>
<td>20.0</td>
<td>20.0</td>
<td>92.0</td>
</tr>
<tr>
<td>None response</td>
<td>12</td>
<td>8.0</td>
<td>8.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 45 confirms why SQTD has been compromised since the introduction of MBs in all public TEVET institutions. For instance, out of 150 total samples population interviewed (72%) disclosed that the Government does not adequately fund the public TEVET institutions.

Table 46 Does government funds for public TEVET institutions used adequately for intended purpose?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>124</td>
<td>82.7</td>
<td>82.7</td>
<td>82.7</td>
</tr>
<tr>
<td>Yes</td>
<td>21</td>
<td>14.0</td>
<td>14.0</td>
<td>96.7</td>
</tr>
<tr>
<td>None response</td>
<td>5</td>
<td>3.3</td>
<td>3.3</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Table 46 shows that public TEVET institutions do not use their funds for intended purpose, although the Government does not adequately fund them. Thus, 82.7% of public TEVET employees disclosed that there is a lot of misappropriation of Government funds in most of these institutions.

**Table 47** Does the Ministry of Education and Science, Technology and Vocational Training and Early Education (MESTVTEE) addresses challenges of accountability in public TEVET institutions?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>100</td>
<td>66.7</td>
<td>66.7</td>
<td>66.7</td>
</tr>
<tr>
<td>Yes</td>
<td>40</td>
<td>26.7</td>
<td>26.7</td>
<td>93.3</td>
</tr>
<tr>
<td>None response</td>
<td>10</td>
<td>6.7</td>
<td>6.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 47 indicates that the MESTVTEE does not adequately address challenges of accountability in public TEVET institutions. More than half (66.7%) respondents disagreed the MESTVTEE does not address challenges of accountability. Thus, this finding confirms why misappropriation funds do exist in public TEVET institutions.

**Table 52** Does your institution have technologically latest equipment?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>129</td>
<td>86.0</td>
<td>86.0</td>
<td>86.0</td>
</tr>
<tr>
<td>Yes</td>
<td>17</td>
<td>11.3</td>
<td>11.3</td>
<td>97.3</td>
</tr>
<tr>
<td>None response</td>
<td>4</td>
<td>2.7</td>
<td>2.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 52 shows vast majority respondents (86%) confirmed that the public TEVET institutions do not have latest technological equipment.

**Table 54** Does public TEVET management provides adequate training materials?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>120</td>
<td>80.0</td>
<td>80.0</td>
<td>80.0</td>
</tr>
<tr>
<td>Yes</td>
<td>26</td>
<td>17.3</td>
<td>17.3</td>
<td>97.3</td>
</tr>
<tr>
<td>None response</td>
<td>4</td>
<td>2.7</td>
<td>2.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

This table confirms why TEVET graduate are not practical oriented. Furthermore, 80% respondents disclosed that TEVET graduate are half baked because public TEVET management does not provide adequate training materials.

**Table 55** Does accountability exit in public TEVET institutions?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>102</td>
<td>68.0</td>
<td>68.0</td>
<td>68.0</td>
</tr>
<tr>
<td>Yes</td>
<td>43</td>
<td>28.7</td>
<td>28.7</td>
<td>96.7</td>
</tr>
<tr>
<td>None response</td>
<td>5</td>
<td>3.3</td>
<td>3.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

In this table, 68% respondents confirmed that accountability does not exist in most of the public TEVET institutions.

**Economic and Social Constraints and Opportunities**

Below are tables recording the data and findings of the research concerning economic and social constraints and opportunities:
Table 56 Are TEVET programmes offered in Zambia demand driven?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>106</td>
<td>70.7</td>
<td>70.7</td>
<td>70.7</td>
</tr>
<tr>
<td>Yes</td>
<td>41</td>
<td>27.3</td>
<td>27.3</td>
<td>98.0</td>
</tr>
<tr>
<td>None response</td>
<td>3</td>
<td>2.0</td>
<td>2.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 56 shows that vast majority respondents agreed that TEVET programmes offered by TEVETA are not demand driven. 52

Table 57 Does your public TEVET institution align training delivery with Global labour market and suit to social - economic conditions?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>101</td>
<td>67.3</td>
<td>67.3</td>
<td>67.3</td>
</tr>
<tr>
<td>Yes</td>
<td>48</td>
<td>32.0</td>
<td>32.0</td>
<td>99.3</td>
</tr>
<tr>
<td>None response</td>
<td>1</td>
<td>.7</td>
<td>.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

In this table public TEVET staff confirmed that public TEVET institutions offering training delivery does not align with Global labour market and suit to social – economic conditions.

Table 58 How do you compare the youth unemployment situation since the implementation of TEVET policy?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Very high</td>
<td>37</td>
<td>24.7</td>
<td>24.7</td>
<td>24.7</td>
</tr>
<tr>
<td>High</td>
<td>107</td>
<td>71.3</td>
<td>71.3</td>
<td>96.0</td>
</tr>
<tr>
<td>Low</td>
<td>5</td>
<td>3.3</td>
<td>3.3</td>
<td>99.3</td>
</tr>
<tr>
<td>None response</td>
<td>1</td>
<td>.7</td>
<td>.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 58 confirms that there is high of unemployment among youths in Zambia since the implementation of 1996 TEVET policy. Thus, 71.3% respondents indicated that there is high of unemployment in Zambia. 53

Table 59 Are Lecturers/instructors skilled in sustainable and quality Technical and Vocational?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>47</td>
<td>31.3</td>
<td>31.3</td>
<td>31.3</td>
</tr>
<tr>
<td>Yes</td>
<td>102</td>
<td>68.0</td>
<td>68.0</td>
<td>99.3</td>
</tr>
<tr>
<td>None response</td>
<td>1</td>
<td>.7</td>
<td>.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 59 indicates that lectures/instructors are skilled in sustainable and quality technical and vocational training delivery. Thus, to avoid the high percentage of unemployment in Zambia, MBs and government must support public TEVET lecturers by providing adequate funding, training materials and latest technological equipment in all public TEVET institutions. Thus, 68% respondents agreed that lecturers have embraced sustainability in public TEVET institutions.

Table 60 In your own view, do you think University graduates are more recognized than TEVET graduates?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>40</td>
<td>26.7</td>
<td>26.7</td>
<td>26.7</td>
</tr>
<tr>
<td>Yes</td>
<td>105</td>
<td>70.0</td>
<td>70.0</td>
<td>96.7</td>
</tr>
</tbody>
</table>
Table 60 justifies why Government allocates more funding to higher institutions such as public Universities than Technical and Vocational Training. As shown in the table, 70% of interviewees still feel that University graduates are more recognized than TEVET graduates.

Table 61 Does your institution conduct attitude surveys to determine student satisfaction with TEVET programmes?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>133</td>
<td>88.7</td>
<td>88.7</td>
<td>88.7</td>
</tr>
<tr>
<td>Yes</td>
<td>17</td>
<td>11.3</td>
<td>11.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 61 indicates that out of 150 total samples population interviewed (88.7%) confirmed that public TEVET institutions do not conduct attitude surveys to determine student satisfaction with TEVET programmes. Thus, these findings confirmed that although the MBs were introduced into all public TEVET institutions, TQM and SQTD have not been adequately integrated into TEVET programmes.

Table 62 Do you have a quality assurance officer at your institution?

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No</td>
<td>10</td>
<td>6.7</td>
<td>6.7</td>
<td>6.7</td>
</tr>
<tr>
<td>Yes</td>
<td>140</td>
<td>93.3</td>
<td>93.3</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>150</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

Table 62 indicates that most of the public TEVET institutions have quality assurance officers although the TQM and SQTD have not been adequately implemented into public TEVET MBs. Vast majority respondents (93%) agreed that public TEVET institutions have quality assurance officers.

Conclusion

During the analysis of the public TEVET staff questionnaires based on focus group and in-depth interviews it was noticed that the majority of response were not satisfied with the performance of the MBs in all public TEVET institutions. Therefore, this analysis indicates that there is a challenge to embrace SQTD in all public TEVET institutions. The respondents (public TEVET staff) also think that if MBs and public TEVET administrative organs could embrace sustainability as a life blood, public TEVET institutions would grow and move towards sustainable development.

The findings were presented in tables form using SPSS software program. The next chapter is a discussion and analysis of the findings and relating of the findings in this literature review.

Recommendations

This chapter will present the general overview of the answers for conclusions and recommend possible solutions.

The following are recommendation needed to enhance SQPTD:

- Government should increase the funding for public TEVET institutions so that the institutions can have adequate training materials and training equipment.
- Government should employ qualified lecturers and they should pay them reasonable so that they may attract professional workforce.
- Good remuneration, good incentives and paid according to their salary scale.
- Need staff development programmes in order to enhance SQPTD in Zambia.
- Promotion should be on merit.
• Need safety and health working environment
• The TEVET policy should be considered as the cross cutting issue at national level.
• Remove or abolish all the Boards in public TEVET institutions, they are not adding any value to the TEVET policy.
• People who reached the age of 55 should be retired to pave way for fresh thinking
• Change working culture and revise the curriculum and often move with time or technology so that Global requirements and needs are met. They should create programs that are adaptive to changing times and work with the industry.
• There is need for TEVET institutions to liaise with public universities on the issues of curricular.
• Take all public TEVET staff to Government payroll and all TEVET institutions should have uniform salary scale.
• Government should become aggressive in M & E of training programmes offered and also carry out detailed audit of these institutions to avoid personalizing resources at the expense of the majority labour force.
• Let quality assurance officers be part of management in their institutions.
• TEVET institutions should continue with their programmes.
• They should set high standard in their programmes, because the skills which they provide can help someone to become an entrepreneur.
• Identify what is required in the institutions in order to avoid misappropriation of government funds
• Public TEVET institutions need close supervision and sometimes shuffle the directors and accountants of institutions.
• Public TEVET institutions need network system suitable for M & E system.

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Research Topic: Use of intermediaries in improved supportive supervision process in 12 local governments in Enugu state, Eastern Nigeria

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Email: tadesina995@gmail.com

Introduction

Enugu state is situated in the south-east geopolitical zone of Nigeria, with a population of over 3.2 million people (estimated in 2012). Enugu state has within the state 17 local government areas with monitoring and evaluation officers supervising the health care delivery centers. It was noted that over 180 health care workers had very poor understanding of the uses of data and the relevance of data capturing tools. The LGA M & E officers were trained and acted as intermediaries in mentoring and providing supportive supervision to the CHCW.

Objective: In developing countries, supervision is a widely recognized strategy for improving health worker performance; and anecdotally, maintaining regular, high-quality supervision is difficult. However, remarkably little research has explored in depth why supervision is so challenging. Supervision is a widely accepted form of improving health workers performance and for improving patient health outcomes in developing countries (Ewereji, 2011). However maintaining frequent and high quality supervision can be quite challenging and can sometimes difficult especially in a developing country like Nigeria where poor supervision can be as ineffective as no supervision at all (Vu, 2014).

Methods/intervention: Record reviews, focus group discussion, peer discussions and discussions during meetings were used to assist health care workers in reviewing their performances. Supportive supervision was carried out on the job both formally and informally with 12 LGA officers supervising 180 health care facilities. Monthly data collection / capacity building exercises were carried out for period of 12 months. This improved LGA officers performance and enabled them mentor the CHWS in their respective LGAs.

Findings: At first, very few supervision took place, after carrying out a capacity building workshop and incorporating these capacity building activities in monthly data collection meetings, the errors in data collected from CHWS reduced. The major problem encountered afterwards were bad road network, intra facility transfers, poor staff motivation, poor ownership of data, increased supervision workload, facility staff demanding incentives or monetary rewards.

Conclusion: Leadership support is crucial to achieving a successful and qualitative health care delivery system (Crigler et al, 2013). As such, supervision should be monitored from the highest level in the state by applying this, the LGA officers and their respective supervisors take ownership, use their authority to promote sustainable supervision in the state.

Working with the state intermediaries’ shows that consistent monitoring and supervision and helps to foster understanding of the evolving influences on supervision. By doing this, they use their resources and authority to promote supervision and remove impediments to supervision. Support from leaders can be crucial, thus donors and politicians should help make supervision a true priority. As with front-line clinicians, supervisors are health workers who need support. We emphasize the importance of research to identify effective and affordable strategies for improving supervision frequency and quality.
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population.gov.ng
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