RELEASE FORM

NAME OF STUDENT:	NYAWO SAMSON
DESSERTATION:	An analysis of the effectiveness of funding systems of State
	Universities in Zimbabwe period 2010 to 2014.
DEGREE TITLE:	Bachelor of Commerce Honours
YEAR THIS DEGREE GRAN	ΓED: 2014
	Permission is here by granted to the Midlands State
	University Library to produce single copies of this
	Dissertation and lend or sell such copies for private,
	Scholarly or scientific purpose only, the author
	reserves other publication rights and neither the
	dissertation nor extensive extracts from it may be
	printed or otherwise reproduced without the
	author's written permission.
SIGNED:	
PERMANENT ADDRESS	S 12 Glenview 2 Extension
	P. O. Glenview
	Harare
DATE	October 2014

Acknowledgements

This study will not have been possible had it not been for the help of the following people who invested a lot of both their time and effort. Special regards go to my supervisor Mr Mazhindu and all members of the Midlands State University for their patience by attending to my queries even after hour.

I would also want to thank all my classmates for the 2014 of their encouragement and moral support when I felt like quitting. Last but not least, I give special thanks to my family, workmates for unwavering support. May God bless you all.

I would also like to thank my dear God for all the love, grace, wisdom and blessings and for all the wonderful gift of life.

ABSTRACT

Inadequate state subsidy, and purely monetary interpretation of the private social rates of return from state Universities combined with the view that not all beneficiaries of public subsidies are students from poor background has led to a situation where there is a demand that the beneficiaries, that is parents and students be made to share the cost of providing University education. Furthermore, the need for cost effectiveness and supplementary income to argument public subsidy also pushed universities to devise cost sharing, cost cutting and revenue generation schemes. The measures taken ranged from the introduction of tuition and other fees and admission of privately sponsored students (parallel programs and block release basis), including foreign students in some cases, commercialisation of service units and university assets (engineering equipment) and introduction of demand driven courses. The study sets to find out the effectiveness of the funding systems in place and to recommend others. The descriptive survey approach was used. Questionnaires targeting the seven state Universities were sent from which middle and senior managers were used. Findings indicate that funding systems in state universities were not effective as such various social evil have cropped up such as high student debt, increased rate of prostitution, crowded online services, high staff turnover, lack of research culture and low pay resulting in half baked graduates. Recommendations to adopt other methods tried in the region were done.

List of figures	Page number
Figure 2.1 Process of determining teaching input grant	14
Figure 4.1 Qualification	

List of	tables	Page n	umber
Table	1.1	Budget allocations for operations 2009 to 2014	2
	1.2	State universities enrolment statistics 2010 to 2013	3
	2.1	Funding Groups	14
	2.2	Weighting Matrix	15
	2.3	Weighting Factors for Teaching Output	16
	2.4	Weighting Factors for Research Output	17
	4.1	Qualifications	45
	4.2	Experience	46
	4.3	Revenue funding system for state universities	47
	4.4	Capital funding system for state universities	47
	4.5	Funding system formulations for state universities	48
	4.6	Funding system documentation for state universities	48
	4.7	Funding system communicated	49
	4.8	Funding system implementation guidelines	49
	4.9	Funding system implementation guidelines are understandable	50
	4.10	Funding system implementation guidelines are comprehensive	50
	4.11	Personnel to implement guidelines is adequate	51
	4.12	Personnel to implement guidelines is suitably qualified	51
	4.13	Challenges encountered in the funding system – inadequate funds	52
	4.14	Challenges encountered in the funding system – release of funds	52
	4.15	Challenges encountered in the funding system – failure to pay fees	53
	4.16	Possible solutions to challenges faced—cost initiated programmes	53
	4.17	Possible solutions to challenges faced- early release of funds	54
	4.18	Possible solutions to challenges faced-students paying fees in time	e 54
	4.19	Funding systems in universities – state appropriation	55
	4.20	Funding systems in universities – student fees	55
	4.21	Funding systems in universities – research contracts	56
	4.22	Funding systems in universities – funding formula for vote	56

4.23	Internal controls in place– segregation of duties	57
4.24	Internal controls in place- supervision	57
4.25	Internal controls in place-budgetary control practices	58
4.26	Internal controls in place– Procurement Committee	58

TA	BLE OF CONTENTS	Page number
Ded	ication	i
Declaration		i
Acknowledgements		ii
Abstract		iii
List	of figures	iv
List	of tables	V
CH	APTER 1 INTRODUCTION	1
1.0	Introduction	1
1.1	Background to the Study	1
1.2	Statement of the Problem	4
1.3	Main Research Question	4
1.4	Research Objectives	4
1.5	Justification of the study	5
1.6	Limitations to the study	5
1.7	Assumptions	6
1.8	Delimitations of the study	6
1.9	Definition of terms	6
1.10	Summary	6
CH	APTER 2 LITERATURE REVIEW	7
2.0	Introduction	7
2.1	Definition of funding	7
2.2	Sources of Funding	7
2.3	Categories of funding of state universities	9
2.4	Implementation of funding system	11
2.5	Controls and review of funding system	11

2.6 B	est practice in university funding	12	
2.7 S	ummary	22	
CHAPTER 3 RESEARCH METHODOLOGY 23			
3.0	Introduction	23	
3.1	Research Philosophy	23	
3.2	Research designs	23	
3.2.1	Descriptive survey	24	
3.2.2	Case study design	25	
3.2.3	Correlational Research Design	26	
3.2.4	Experimental Research Design	27	
3.3	Population	28	
3.4	Sample size	29	
3.5	Sampling procedure	30	
3.6	Sampling Methods	31	
3.6.1	Probability Sampling	31	
3.6.2	Non- probability sampling	32	
3.7	Types of Data	34	
3.7.1	Primary Data	34	
3.7.2	Secondary Data	36	
3.8	Research Instruments	37	
3.9	Structured Interviews	38	
3.10	Types of Questions	39	
3.11	Data Collection Procedure	42	
3.12	Validity and Reliability	42	
3.13	Ethical Considerations	43	
3.14	Data Presentation	44	
3.15	Data Analysis	44	

3.16	Summary	44
СНАР	TER 4 DATA PRESENTATION ANALYSIS AND INTERPRETATION	45
4.0	Introduction	45
4.1	Presentation, analysis and interpretation of data	45
4.2	Respondent by educational qualification	45
4.3	Sources of funding systems	47
4.4	Implementation of funding systems	49
4.5	Challenges encountered in the funding system	51
4.6	Possible solutions to challenges faced	53
4.7	Funding systems in universities	55
4.8	Control and review funding system	57
4.9	Summary	59
CHAP	TER 5 FINDINGS, CONCLUSION AND RECOMMENDATIONS	60
5.0	Introduction	60
5.1	Chapter Summaries	60
5.2	Major Findings	60
Fundin	g system for state universities	60
Exister	nce of funding systems implementation	61
Person	nel capacity in implementing funding system	61
Challe	nges in the funding system	61
Contro	ls over the funding system	62
Best pi	ractice in university funding	62
5.3	Conclusion	62
5.4	Recommendations	62
5.5	Areas for further research	63
5.6	Summary	63
Refere	nces	71