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An assessment of funding operations of Parastatals. A case of National Museums and Monuments of Zimbabwe

BY

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This dissertation is submitted in partial fulfillment of the requirements of the **Bachelor of Commerce (Honors) Degree in Accounting** in the Department of Accounting at Midlands State University.

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The undersigned certify that they have supervised the student **R112321g**'s dissertation entitled **"AN ASSESSEMENT OF FUNDING OPERATIONS OF PARASTATALS. A CASE OF NATIONAL MUSEUMS AND MONUMENTS OF ZIMBABWE"** submitted in partial fulfillment of the requirements of the Bachelor of Commerce (Honors) Degree in Accounting at Midlands State University.

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DEDICATION

This work is dedicated to my parents Mr. S Janasi and Mrs. C Janasi, my siblings Portia and George, my grandmother and untie for being there for me through the course of my whole degree program.

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ABSTRACT

This study sough to investigate the assessment of parastatals funding, specified to the case study of National Museums and Monuments of Zimbabwe .The statement of the problem is that the company is facing financial problems as evidenced by recurring losses. This is as a result of continuous decline in government support in form of grants and poor performance of domestic revenue inflows against the background of rising recurrent expenditures which has been forecast to continue to constrain the fiscal space of the company. This has resulted to less revenue being realized for projects and general core business of the company, and prompted this research to be undertaken. Research was carried out in Harare. Research findings indicated that problems faced by the company were being contributed by poor information network dissemination, personnel incompetency and demotivation of staff to participate in funding policy implementation programs. Both primary and secondary data methods were used to gather data which was statistically presented using tables and graphs. Conclusively there is need for National Museums and Monuments of Zimbabwe to find ways to mitigate challenges which the company is currently facing.

LIST OF ABBREVIATIONS

NMMZ	National Museums and Monuments of Zimbabwe
RBB	Results Based Budgeting
ZBB	Zero Based Budgeting

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CHAPTER 1

INTRODUCTION

1.0 Introduction

Outlined in this chapter is background of study, statement of the problem, the main research question, sub-research questions, research objectives, and justification of the study, delimitation, limitation of the study, assumptions and summary.

1.1 Background to the study

The National Museums and Monuments of Zimbabwe (NMMZ) is an organization established under an Act of Parliament the National Museums and Monuments Act (Chapter 25:11). NMMZ is a Parastatal, funded through grants by Central Government and falling under the Ministry of Home Affairs. National Museums and Monuments of Zimbabwe is a research institution and custodian of national heritage.

In minutes of the Finance Committee Meeting of the National Museums and Monuments of Zimbabwe held in the NMMZ Board Room at Penrose Hill 107 Rotten Row on Friday 27th November 2012 at 10:10 am, the Executive Director highlighted that the financial year was ending on a disappointing note, as observed by the failure of Treasury to provide the Institution with less than half of the Operations budget. As a result, the NMMZ failed to achieve meaningful results on the three year strategic which ended 31/12/2012.

Their principal sources of revenue are income from tourism activities and Government Grants. Of late NMMZ appears to be experiencing cash flow problems to finance its operations and preliminary investigation seem to suggest that the continuous increase in expenses and decrease in Government Grant whose disbursement is alleged to be erratic could be the reason for the present challenges indicated by table 1.1 below.

Table 1.1 NMMZ Financial Performance

	2013			2012			2011		
	BUDGETED	ACTUAL	Varience	BUDGETED	ACTUAL	Varience	BUDGETED	ACTUAL	Varience
Grants received: employment costs	3,522,000.00	2,425,230.00	69%	2,787,504.00	2,417,000.00	87%	2,100,000.00	1,490,527.37	71%
Operations	500,000.00	25,000.00	5%	275,000.00	132,999.00	48%	300,000.00	229,600.00	77%
EXPENDITURE									
Employment costs	3,022,000.00	3,423,869.00	13%	2,417,000.00	2,586,959.56	7%	1,610,677.52	2,396,402.00	48%
Recurrent expenditure									
Maintenance and adminstrative costs	360,000.00	423,612.67	18%	353,600.00	376,978.64	7%	133,587.00	218,625.47	6.40%
Research and Technical expenses	342,789.00	379,550.98	11%	304,000.00	331,822.31	9%	200,000.00	221,417.44	11%
Staff incentives	105,000.00	167,114.00	59%	159,334.00	203,374.00	27%	120,000.00	139,148.09	16%
Capital expenditure	5,208.33	6,349.22	22%	5,750.00	1,865.00	32%	67,978.00	70,491.00	3.70%
Suplus of Income over expenditure		(7,239.06)			18,798.83			(28,944.38)	

Information extracted from the STATEMENT OF COMPREHENSIVE INCOME FOR PERIODS 2011-2013

The trends of recurrent expenditure seem to be increasing yearly during the period under review. According to the Executive Director in the annual 3rd quarter report for the period January to October 2013, he indicated that there is a general poor performance of domestic revenue inflows against the background of rising recurrent expenditures which has been forecast to continue to constrain the fiscal space. Further analysis is given by accounting records showing trends of negative income over expenditure levels for the periods 2011-2013 in table 1.1.

According to IAS 20 Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. Government assistant has decreased owing to the Government initiative of trying to reduce the fiscal deficit. The Government Grant is meant to finance salaries to the extent of those paid to civil servants and part of recurrent expenditure .This would be supplemented by income generated by the organisation mainly from tourism activities. According to the Executive Directors in the annual report for the period January to October 2013 .The dwindling support disbursed by Treasury has largely affected recurrent expenditures which have so far been met from own sources. As at October 2013, only 5% (US$25 000.00) out of US$500 000 has been disbursed.

Being in receipt of far much less support from Treasury to support operations, recurrent expenses have been met from inflows from own activities hence there being substantial

variances between amounts budgeted to be spent and that which was actually spent. In essence, this results in the accumulated deficit during the periods under review.

1.2 Statement of the problem

NMMZ is currently faced with serious viability problem owing to increase in expenditure and decline in Government Grants. This has resulted in limited revenue being realized for projects and operations. This has prompted the research to be undertaken.

1.3 Main research question

An assessment of funding operations of Parastatals a case National Museums and Monuments of Zimbabwe.

1.4 Sub-Research Questions

· What is the funding policy for NMMZ.

· What funding guidelines for policy implementation are in place.

· What personnel capacity is available to implement guidelines.

· What controls are in place over policy implementation.

· What would be the best practice in funding NMMZ.

1.5 Research Objectives

· To identify NMMZ's funding policy.

· To identify funding guidelines for policy implementation which are currently in place.

· To identify personnel capacity available in implementing guidelines.

· To identify controls in place over policy implementation.

· To suggest possible best practice of funding NMMZ.

1.6 Justification of study

To the researcher

The research is in partial fulfillment of the requirements of the Bachelor of Accounting Honors Degree; its successful completion will enhance the academic and professional status of the researcher.

To Midlands State University

The research will add new information to the body of literatures. The research will also complement existing studies and strengthen synergies between the university and industry.

To the Organization

Recommendations from the researcher may be considered for adoption by NMMZ.

1.7 Delimitation of the study

The research was carried out at National Museums and Monuments of Zimbabwe Head Office in Harare. Head office is central to all NMMZ's activities and as such relevant records can be easily accessed. The research covered the period January 2011- December 2013.

1.8 Limitations of the study

The following conditions were beyond the researcher's control and placed restrictions to the execution and conclusions to the study:

·   Access to internal company information was not easy due to confidentiality issues. Permission was sought from the relevant authorities and assurance was given for use of company information only for academic purposes.

·   Lack of financial resources to fully fund the research project with photocopying documents and communicating with the supervisor. The researcher was able to access extra funds from the family members.

·   A major limitation to the research was the element of time. The time span upon which all relevant data was collected and other academic commitments. The researcher worked extra hours to overcome the element of time.

1.9 Assumptions

Respondents furnished true and unbiased knowledge.

Operational policies do not change or company regulation during the period of the research.

1.10   Definition of terms

Government Grant   is amounts given to the company by Government to support its core activities.

NMMZ   National Museums and Monuments of Zimbabwe.

Museum   is establishments created to record and document the cultural or natural heritage of people in order to foster human understanding and identity of the concerned culture and its environment.

Monuments   is the physical evidence that attest to past human creativity. This can be in the form of a building, statue or architectural piece.

Heritage   refers to customs and practices that have been selected over time and have the power to stay and be respected.

Cost Reduction   is the achievement of real and permanent reduction of unit costs of products manufactured or services provided without their suitability for their intended use.

Costs Control   it involves keeping costs within prescribed units, targets of budget.

Research   is original and planned investigation undertaken with the prospect of gaining new scientific or technical knowledge and understanding.

1.11 Summary

This chapter ended with an insight into the research perspectives and the objectives of the study to help the reader develop an appreciation of the problem. The research recognizes the limitations that the researcher might encounter which lead to biased conclusions of the study. It should at the very least assist the reader to understand the area of study. Chapter 2 is on literature review.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter reviews related literature on funding of parastatals, funding guidelines for policy implementation, personnel capacity available in implementing guidelines, controls over policy implementations and possible best practises of funding. Reference is also given to other countries that were affected by the same problem. Contributions from different authorities on the effect of inadequate funding on the operations of any organisation will also be discussed .This will be followed by a summary of the chapter.

2.1 Funding of Parastatals

http://www.freedictionary.com defines a Parastatal as a company owned or controlled wholly or partly by Government. The oxford dictionary also goes on further in explaining funding as money provided especially by an organisation or government for a particular purpose. Funding of parastatals in Botswana according to Akinboade (1998) was done by commercial banks during the 1980's but focus of commercial bank lending shifted away in the 1990's due to a weaker economy. This led to the financing of larger investments taking place outside commercial banking sectors and being provided entirely by government in the form of loans and some parastatals opting to borrow abroad. This was proven immensely by statistical figures showing government lending rate increase from 33% in 1981 to about 54% in 1993. The other reason from the shift from commercial bank lending to State funding was that commercial banks' lending periods were short in terms of provision of long term borrowing and high interest rates were offered. So Government loans came in with rates below the market price and made it difficult for private sectors to compete. Botswana's liberal foreign exchange control regime also makes positives factors for direct investments in Parastatals.

Soyibo (2008) was of a different opinion in the case of Sub –Saharan African countries' parastatals as they were being funded by the banking sector .Banks had available high deposit funds in their systems and the dismantling policy of direct credit and credit ceiling .This was described as a situation that enabled companies to access credit from banks as a funding method for generating employment and greater output in the economy.

In the same breath http://www.countrydata.com identifies South African parastatals funding since the 1920's were the first government enterprises were Electricity Supply Commission (Eskom) and South African Iron and Steel Corporation (Iscor) and both of these huge companies failed to provide support for new industries. By this private individuals were then allowed to purchase shares in state owned co-operations as a way of funding. Governments control remained in these co-operation and grants and loans continued to fund operations of these companies. Some companies like Eskom were also allowed to raise their money from the general public through collections. As time surpassed private sector involvement in State owned companies declined as most corporations were viewed as unprofitable retaining Government as the sole proprietor of funding parastatals.

By the 1980's Government decided to privatize state owned companies as a way of increasing funding and reduce Government critism of poor performance of these companies. In the 1990's arguments for privatisation began to arise due to political issues which caused violence to arise. The facts that Government lacked the financial base in buy back the privatised companies' external borrowing come in place to re-own the parastatals. In 1995 the Government decided to seek equal partnership in South African companies for equal funding between Government and private sectors in Parastatals. Folkerts (1994) goes on to formulate public sector funding in South Africa into six distinct categories namely:

(a) Enable the national government to function as a pass-through vehicle for public-sector borrowing subject to an aggregated borrowing ceiling and other conditions.

(b) Eliminate tax preferential treatment of equity investments.

(c) Promote liquidity in the fixed-income and related derivatives markets.

(d) Grant preferential tax treatment to local government issuers.

(e) Establish and/or improve special government-sponsored credit programs (e g Local Authorities Loan Fund, Housing Fund).

(f) Re-introduce a policy of prescribed investments

Benson et al (2006) identifies China as a country which opted internationalisation of its state owned companies for considerable foreign investment funding. While other parastatals were funded by foreign ownership others became joint stock companies by forming amalgamations and mergers, while Government departments in research institutions underwent diversification. According to Akanwa (2013) research institutions in Nigeria such as libraries are funded through government, grants, donations and bequests.

2.2 Funding Guidelines for Policy implementation

Castrol (1993:3) "Production logistics play a major role in influencing trade and transport logistics. Although activity in the industrial countries is by far the most important determinant factor of demand for developing country exports, commodity prices, geographical location, and industrial country policies, also play a significant role. A key solution to these concerns usually rests with logistics. Developing countries thus confront the fact that any trading nation in today's market is forced to adjust to the trade management practices of its partner countries and, by implication, to the practices in the international transport industry. In other words, the commercial success of any export-oriented industry in a developing country depends more and more on its ability to tie effectively into the emerging international trade logistics service networks. Trade logistics may be defined as the procedural and documentary background of production and transport logistics which enables freight to change hands by means of commercial transactions. At the heart of trade logistics lies the set of rules governing commercial documents and procedures, banking and financial securities, transport and shipping bills, and manifests which regulate international flows of goods by structuring supply and demand from seller to buyer and of payment from buyer to seller. The goods' physical movement from production to final destination may be evidenced by appropriate documents. Payment, however, is influenced by trust between the commercial parties, their need for finance, and by governmental trade policies and exchange control regulations."

Gilson et al (2004) identifies guidelines for policy implementation as performance and the influences upon performance. The study findings demonstrate that contextual features strongly influence provider performance, and that a crude public or private comparison is not helpful. Key issues in contract design likely to influence performance are highlighted. Finally, the study argues that there is a need before contracting out service provision to consider how the performance of private providers might change when the context within which they are working changes with the introduction of a contract. Packard (2008) Identifies effective management, control as the major guidelines over public co-operation .Planning systems also come in as a guideline.

Geyser and Perret (2007) identifies the need for South African parastatals to set up methods of assessing the full financial costs as guidelines. Specific issues are identified such as the

lack of records on costs, the lack of a standard basis for calculation and developing conditions (e.g. maintenance requirements). Guidelines are said to be feasible if provided in such a way that some adapted data and already available data replace the original set, especially when it comes to capital costs.

Nyabut (2013) is of the opinion that the best way for funding parastatals in Kenya is by way of budgeting. This came into effect after complex changes of modern day economies, technologies, environmental surroundings and demographics. In this aspect governments are attempting to provide reliable and complete information to budgeters and policy-makers alike so that substantive budget choices can be made in response to the changing world. Brushett (1998) is also of the opinion that budgeting through monitoring and evaluations will build in internally funded operations in Zimbabwe's state owned companies.

Zayyad (2007) talks about implementation arrangements in Nigeria over the adopted Privatisation and Commercialisation Programme in which the Technical Committee decided to adopt the following guidelines:

i. The use of sub-committees comprising knowledgeable individuals in society. Selection is done on personal merits and they are responsible for diagnosing studies of affected enterprises covering technical, financial, and organisational and management aspects.

ii. The appointment of Technical Advisory Groups consisting of reputable financial institutions to lead expert teams

iii. The appointment of Financial Advisers usually merchant banks or accounting firms, with demonstrated experience and reputations to prepare detailed briefs on capital restructuring of affected enterprises

iv. The assignment of professional staff in Secretariat to undertake diagnostic work on simple cases of privatisation and commercialisation and to prepare information memoranda.

v. The appointment of other professionals such as estate values and legal practitioners to deal with different aspects of programme implementation.

On the other hand Nwankwo and Ocheni (2003) had a different perspective when it comes to Nigerian state owned companies after identifying corruption and poverty as the major disadvantage of the nation's development paralysis. The principle guidelines of policy

implementation were identified as honesty, transparency and accountability in public sectors of Nigeria. The government is of the opinion that transparency and accountability were the most crucial guidelines for providing needs and welfare of the citizens. Due to the above government embarked on a number of public sector reform programmes aimed at blocking leakages of all sorts in public sector service delivery and transactions. The Due Process Policy was introduced as an instrument for attaining desired conduct of government business in ministries, parastatals and departments in Nigeria.

2.3 Personnel Capacity Available in implementing guidelines

2.3.1 Measures of Identifying personnel capacity for guideline implementations
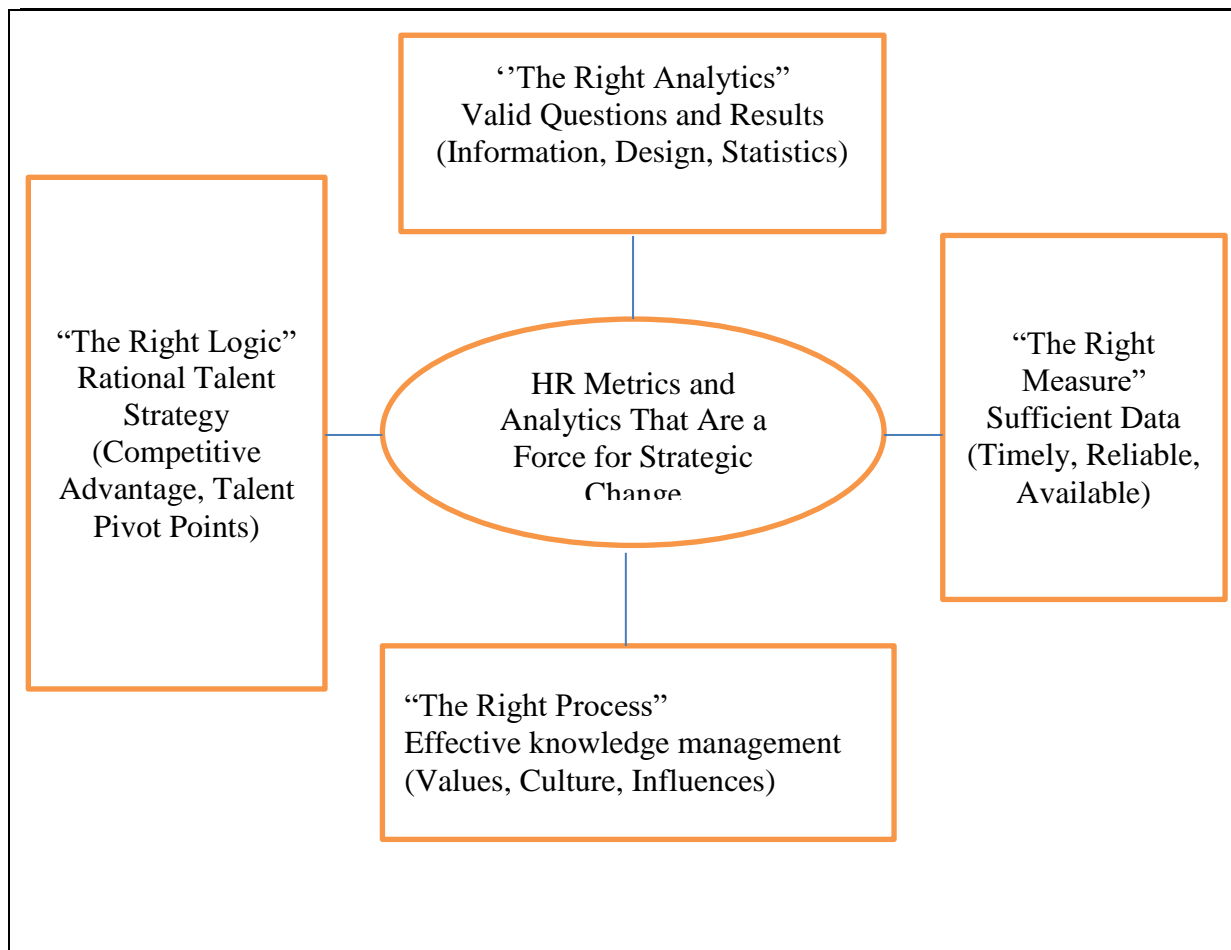
Fig 2.1 ***The Lamp model: Foundations For Workforce Measurements***

Source Cascio, W.F, & Boudreau, J.W (2008) Investing in people: Financial impact of human Resources initiatives. Upper Saddle River, NJ: Pearson Education

Cascio (2010) defines a more complete measurement system of the LAMP framework. Logic: The story that connects numbers and outcomes entails that connections between human resources and management practise have to exist as it affects employee attitude, engagement and turnover whilst in the long run have effects on customer experience and profit levels.

Analytics: draw appropriate conclusions from data analytics transforms HR logic and measures into rigorous, relevant insights. While statistics and research are analytical strategies for drawing correct conclusions from the data, measures comprise the numbers that

populate the statistical formulas.

Measure: getting the number Right identification of very high costs or turnover representing a significant risk to revenue or critical resources of the organization means there is need to track turnover very closely and with greater precision. Turnover measurements should focus precisely on what matters.

Process: creating actionable insights –measurement affects decisions and behaviours but decisions and behaviour unfold within a complex social system. Hence effective measure system must fit within a change management process that begins by influencing key decision makers. That influence process begins by convincing managers that the analysis of people related business process is possible as well as informative.

Moraise (2006) human resources management interventions should be aimed at facilitation of technical, managerial and leadership skills as well as the effective incentivisation of managers. Capital development and change management is directly work related. In designing and implementing capacity development interventions of the kind there is need for skill potentials and industry experience should be kept in mind and encouraged by continuous training, development and appointment selection processes based on merit and suitability.

2.3.2 Personnel Capacity to implement policies

Bram (2006) is also of the opinion that remuneration practises in South Africa also has a negative impact on personnel capacity to the implementation of polices. The period policies are first initiated personnel has the perseverance to accomplish goals and meet targets, but once demotivation set in they become reluctant as remuneration packages are low. Maseko (2013) argues that state owned companies have great challenges in personnel capacity for implementation of policies as most women are being left out in management and leadership positions. In most South African companies it is still a belief that a woman's position is the kitchen. The selection and replacement processes should not be biased, avoiding tokenistic patterns and should adhere to the conditions of the South African Equity Act to avoid favouritism. Some very learned women suffer because of such beliefs and would carry much potential in the attainment of goals but are being sided just because they are women.

Barnard (2012) identified a weak personnel capacity due to poor ethical management and unethical decision making in public sector organisations. Further ethical managerial and general training were recommended so as to increase the rate of personnel quality services and general business conducts. Implementation of policies was also failing to succeed because of lack of understanding due to absence of real world application for most educated personnel.

Naidoo (2012) is of the opinion that South African personnel staff is highly incompetent in implementing guidelines due to the existence of high corruption levels in government departments. He said "Furthermore, the public sector has seen that there are unethical and even toxic leaders, who exploit the loopholes in the systems and processes and seek to fulfil their personal desires at the expense of their departments. It is therefore argued that there is increasingly a need for ethical leadership and more efforts must be undertaken to promote good governance in the public sector."

In the spirit of good governance the Nigerian government edged workers in state owned companies to train and retrain human resources as to better equipment in maximising productivity levels. Most Civil servants occupied positions beyond their abilities and capabilities and were said to be inexperienced. Civil service recruitment and selection processes were also not being based on merit but on high levels of corruption based on political godfatherism. Other factors also contributing to personnel capacity implementation was the issue of low wages in government departments which failed to meet high cost of living hence resulting to strikes and high demotivation levels to attainment of policies. This move resulted to employment being lost to private sectors as workers were after high wage rates leaving parastatals understaffed Yusuf (2013)

Madhekeni (2012) further notes that with the implementation of government programs in 2005 such as Results-Based Budgeting system, Results-Based Personnel Performance System and E-Governance in Zimbabwe, personnel had to train at all government levels in order to by-in the introduction of the system. As indicated in the survey carried out that some floor workers could not even recite the name of the new system as a sign of ignorance and most top officials in management had a mind-set that implementation of the system was someone

else's business. Most Zimbabwean Parastatals had no human capacity for the implementation of new government policies and blame was shifted on bias recruitment and selection processes mainly based on favouritism and not on educational qualification basis.

2.4 Controls over policy implementations

According to Habib and Padayachee (2000) with the introduction of new economic programs in South Africa's .The program is expected to direct all alleviations in curving poverty and inequalities but extensive controls were needed over economic and political affairs of state owned enterprises .Both economic and political aspects had to be closely looked at and be monitored. Brette (2005) argues that controls need to be focused more on political issues rather than economics factors when it comes to running of Parastatals. He of the opinion that political issues in Zimbabwe have more impact or effects on the performance of parastatals as compared to economic factors. Jenkins (2000) is however of a different opinion about the situation of Zimbabwe. He insist on more controls be made on distribution of economic resources from a perspective that Government owed companies were performing poorly because of extremely inequitable distribution of economic resources.

Brown (2001) in identifying Zambia's high inflation rates or financial crisis in the 1990's the author is of the opinion that there is need to place financial control over policies in the following areas:

   a. Interest rate controls that lead to intermediation in conditions of low inflation when real rates are positive.
   b. Controls over prudential regulation which are in line with consequences for financial fragility policies.
   c. The third strand of the government's financial policies should consist of the imposition of administrative controls over financial institutions. Including foreign exchange controls to provide the authorities with a powerful tool for directing resource allocation in the economy.

Hope (2010) identifies decentralisation as an aspect of local governance that comes in as a control measure in public policy making in Botswana. State centred local management

controls have to be put in place such that there is participation of lower management levels as well as general public in the running of public companies. Furthermore Alagon et al (1989) goes on to talk about the same issue of decentralisation in Government health sector companies in Mexico. Decentralisation has a direct impact on politics, finance, planning, service distribution and equity by changing the administrative structure of the organisation for the better. The author is of the opinion that decentralisation controls bring about efficiency improves service deliver and improves the financial status of parastatals. Francis and James (2003) are also in agreement about decentralisation program system of local governance in Uganda in that decentralisation helps in channelling limited resources to be largely consumed saving administration costs. It also helps in building alliance, loyalty, culture of transparency and civic engagement to assure downward accountability. Decentralization can promote both efficient service delivery and local empowerment simultaneously.

Mascarenhas (1993) identifies public sector organisations controls needing to be emphasised more on administrative agencies respecting society values in the case of Britain, Australia and New Zealand. Societal values have fundamental instruments such as freedom of individuals' consumer choice and greater initiatives for private sector in economic development. The writer also insisted on the public sector aiming at altering good relations with the private sector. Lack of admistrative control over society values has the following impact on Parastatals:

i.   Failure to deliver goods leading to public disenchantment

ii. Funding of expenditure on public services through taxation is seen as diverting resources to lesser productive purposes.

Control over societal values will mark the radical shift from a public sense whose purpose is to promote public welfare to an enterprise's culture.

As such, Rasappan(1999) elaborates the process to cultivate the maximum results is from the **RBB** system being encompassing focus on systematic planning and achievement of results-based on outputs, outcome, and impact on government programs, build an ensure public sector accountability concerns in the form of financial, management and program accountability. Improved resource allocation and distribution through informed decisions, improving value for money in government expenditure by focusing expenditure on

productive purposes and also improvement in decision making at all levels through use of critical performance information for strategic planning, policy decision making and operational decisions.

Rwelamia (2010) the process of creating a cooperative framework and specific strategies for the structured engagement of public- and private-sector stakeholders is described through policy debate, analysis and implementation as the best practice in South African parastatals

Moraise(2006) talks about the need for internal controls on selection processes for instance if boards of directors lack the depth of business experience, corporate leadership exposure and independent orientation required to given effective guidance to management in the context of these rather large and complex organisations. Cloet et al (2011) is also of the same opinion that senior management's selection and professionalism by supporting the finance management department has an impact in the organisation. If top management views financial management as a cost rather than investments there is need for facilitation about the value of planning and management at the strategic decision-making level.

Planning

Kibachia (2014) observed that planning is good processes which help in identifying opportunities, setting goals and objectives, and setting proper strategies and effective tactics to achieve them shown by higher growth rate and higher operational efficiency ratios. The writer also insists that planners are also more aggressive than non-planners in pursuit of business objectives.

Coordination

This is a process concerned in building of mechanisms that link individuals in ways that permit them to perform given tasks, such as implement the marketing strategy effectively. Critical to the performance of any firm since it enables communication from mid-level management to lower levels that are able to say out their efforts for the betterment of the organisation. It also cut the challenge faced by management on how to coordinate the efforts of talented employees with a short time period and ensuring that strategies are clearly understood Kibachia (2014)

Accountability and Reporting Requirements

Pettijohn etal (2013:21) "Government agencies that award contracts and grants to Parastatals generally require reporting and accountability to ensure that organizations use the funds in the intended manner. If state owned companies want to continue to perform services on behalf of governments, they must adhere to reporting requirements and the demands for increased accountability."

2.5 Possible Best Practises of funding

2.5.1 Cost Reduction technique

Botes, et al (2004) **Activity Based Costing –**The costing system affects prices negatively. ABC system traces cost accurately such as product customers and channels of distribution and provides information about the cost and performance of activity and resources. ABC uses both units and non-unit based cost drives for allocation purposes.

Step 1 Identify activity –the identifying process requires an excellent knowledge of all processes within the enterprise .Each activity consist of a cost pool.

Step 2 – Identify cost drivers for each activity .Cost drivers are factors that cause the different activity costs and must be identified for every activity.

Step 3 –Cost pool creation. A cost pool concerns related costs such as product manufacturing overheads that are allocated to one or more cost objectives such as products, services and activities.

Step 4-Trace activity costs to cost objectives. Activity cause costs and cost objectives consume activities.

Benefits of ABC include improvement of product costing, facilitation of future cash information for decision making process, improving strategic decision making in product pricing, product costing and better decisions on economic lines. ABC is flexible as it goes beyond product costing and can be applied in internal cost management and customer costing.

Zero Based Budgeting (ZBB)

This is a method of budgeting employed by companies to control cost. According to Luccy

(1996:408), ZBB is a cost benefit approach in which the cost allowances for an item is zero and will remain so until the manager responsible justifies the existence of the cost item and the benefits that the expenditure brings. This view was also supported by Drury (1996:485) that ZBB is an approach that requires all activities be justified as priorities before decision relating to the amount of resources to be allocated to each activity are taken. This approach therefore implies the efficient and utilisation of resources and focuses on value for money. It matches input of resources to output .In a nutshell, this approach is result based and as such most successful companies have adopted it.

Cloete (2011) is also of the same opinion over parastatals in Botswana that managers should be trained in the effective preparation of budgets including concepts such as zero-based budgeting. To enable better prepare accurate budget proposals for presentation to top management, greatly assisting the maintenance department in pushing through their budget proposals. Kibachi et al (2014) argues that the "zero-base" approach when taken into evaluation problem seems to be that the package is chosen according to some cut-off point on a cost-benefit ranking. Without proper planning strategic programs some activities are left open-ended affecting resource allocations. Without providing for the necessary assets and strategic expenditures a strategic program cannot be implemented.

2.5.2 Funding Methods

Diversification

Diversification is a risk management strategy employed by companies to mitigate the effects of exposure in other lines of trade .According to http://www.openleearningworld.com, companies may implement diversification to enhance the strategic competitiveness of the overall organisation. Value can be created through either related or unrelated diversification if the strategies enable the company's mix of business to increase revenue and decrease costs. This was further emphasised by http:/www.businessdictionary.com that diversification reduces risk of relying on only one or a few income sources and aides the avoidance of cyclical or seasonal fluctuations by producing goods and services with different demand cycles. According to information extracted from ZB Life Assurance http://www.zb.co.zw, ZB financial services diversified into life assurance by establishing ZB Life Assurance Company in an effort to enhance the overall financial performance of the group.

Privatisation

Massey (2009) identifies privatisation as the best practise adopted by Kenya Airways (KQ) which helped improve its financial base were Government reliance has proven to be inadequate. Seekings and Nattrass (2011) is of the opinion that modest privatisation of parastatals and favoured public-private partnerships in the provision of various previously public services brings about efficiency, cost-cutting and value-for-money in service provision of a business. Foreign investment is encouraged, and corporate profitability remained stable and perhaps even grew. Moraise (2006) Most state owned companies in Namibia are moving to privatisation .Efficiency is being promoted through the introduction of modern management techniques, product/ service innovation and general exposure to the dynamics associated with private ownership. Meer (2008) argues that privatisation has its short comings in market failures and non-availability of public goods such as roads constructions.

Projects

Mpofu (2013) South African parastatals have engaged in numerous projects which vary from small to large investments. Strategizing assets that need to account for taxpayers' funds is a thesis considers for executed projects adding value to the link to the strategic objectives. The effectiveness of this link can be established by having benefit realisation metrics. The metrics should have a process of measuring performance of projects based on strategic objectives. Braun et al (2009) also supports the issue of projects as a betterment procedure for most South African state owned companies. The author also insisted on recognition of social impact factors on these projects such as the migration and resettlement of people ; changes in the rural economy and employment structure; effects on infrastructure and housing; impacts on non-material or cultural aspects of life; and impacts on community health and gender relations. Kibachia (2014) different ways of archiving a particular strategic implementation action must be compared and economically evaluated taking into account advantages and disadvantages of that particular strategy. A cost/benefit analysis is needed, but unfortunately is done too often on narrow grounds. By only looking at the financial costs and benefits without taking a strategic risk-assessment into account one might easily pursue the less favourable project or fail to search for less risky alternatives (Porter 1985). Spenceley and Goodwin (2008) suggest that the best practise for South African Trade is to evaluate the impact of nature-based tourism on the poor and socio-economic assessments. Socioeconomic

impacts evaluated included employment, gender equality, procurement, corporate social responsibility, dependency on tourism and access to markets.

Outsourcing

Cloet et al, 2011, page 14, "Organisations with large property portfolios should be encouraged to consider outsourcing by assessing the benefits and risks involved and engage service contractors in carrying out maintenance of facilities on services that are critical to the operations of the organisations. For example, government and some parastatals organisations being the owners of most of the buildings under investigation, should consider outsourcing most of their maintenance work after due diligence has been performed on the service providers. This will enable the finance management staff to concentrate on key functions such as developing better strategies for improving services and benchmarking against other organisations."

Moraise (2006) losses can be generated by having fewer returns generated on assets than the entities' likely cost of capital, resulting in a destruction of shareholder value. Losses are identified when financial leverage is low and balance sheet absorbing higher level of debt especially if one considers the mostly predictable nature of the entities' revenue streams. Improvements can be made by monitoring current liabilities closely, increasing assets productivity, improving investment levels and operational efficiency.
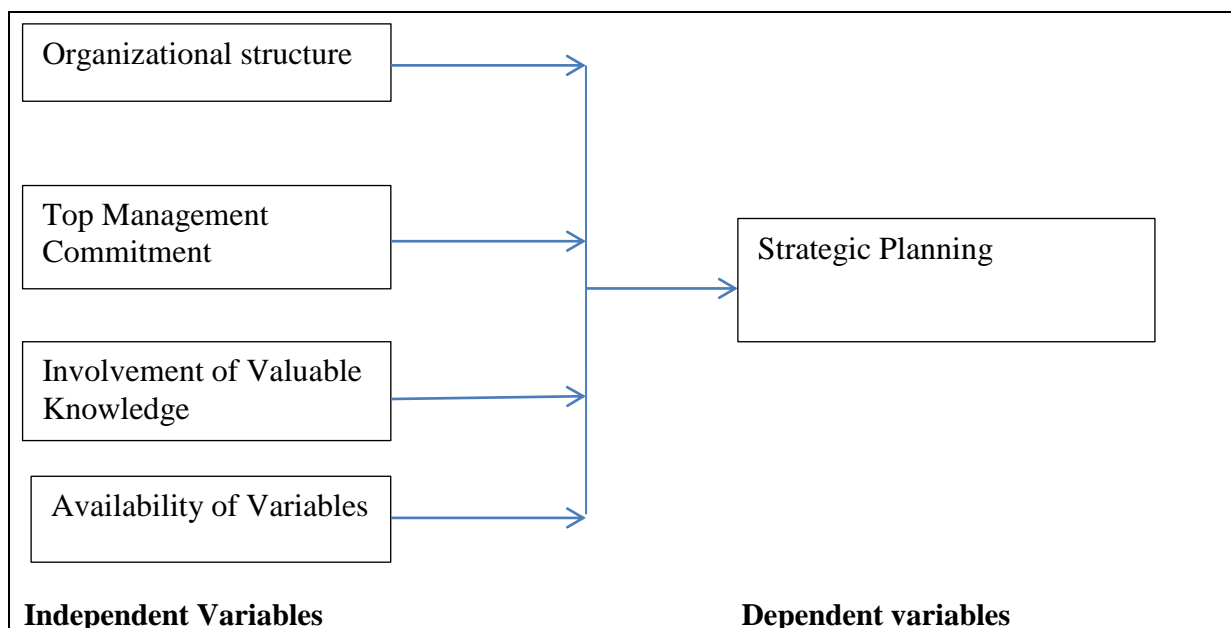
Fig 2, 2 Conceptual Framework

Source : Kibachia, Iravo and Luvanda (2014) A survey of risk factors in the strategic planning process of parastatals in Kenya

The conceptual framework identifies information tools that are adequate and must be available to allow decision makers to monitor progress toward strategic goals and objectives, track actual performance, pinpoint accountability, and most important provide an early warning of any need to adjust or reformulate the strategy.

2.6 Summary

This chapter reviewed related literature on some of the challenges associated with funding Also reviewed was literature related to strategies employed by other organisations to mitigate the effects of operational challenges. The next chapter will discuss the methods that were employed to gather and collect data for analysis.

CHAPTER 3

RESEARCH METHODOLOGY

3.0 Introduction

Jennifer (2013) "Methodology refers to the theoretical arguments that researcher use in order to justify their research methods and designs." The chapter gives an overview of the research design, descriptive research, explanatory research, population and the sample size, sources of data, research instruments, data triangulation of the research, data presentation and a summary to conclude the chapter.

3.1 Research Design

Research design refers to the structure of the research and is not related to any particular data collection methods. A research design can either be quantitative or qualitative methods of collecting data. Patton (2005) defines qualitative research analyses as a method of collecting data in its depth form by use of written documents, interviews and direct fieldwork observations. Polkinghorne (2005) said, "Qualitative data are gathered primarily in the form of spoken or written language rather than in the form of numbers. Possible data sources are interviews with participants, observations, documents, and artefacts. The data are usually transformed into written text for analytic use." Qualitative survey methods will be used for this research. Due to resource and time constraints, the research on the sample will be limited to Harare only. The belief being that the respondents from NMMZ head office in Harare are a perfect representation of the national population. The research utilises both primary and secondary data, the former being composed personal interviews and questionnaires. Secondary data will come from business journals, accounting text books and research papers.

3.2 Explanatory research

This research focuses on the why questions. It attempts to clarify why there is a relationship between two aspects of a situation or phenomenon. Kumar (2005) says that this kind of research design tries to explain why a relationship, association or interdependence exists. This type of research will attempt to explain the funding methods of state owned companies.

3.3 Descriptive Research

http://www.businessdictionary.com descriptive research is also known as statistical research and describes data characteristics about the phenomenon or population being studied .Descriptive research attempts to answer the questions who, what, where, when and how. Casadevall (2008) identifies descriptive research as a design to test a phenomenon and provide explanations or insights into causation. This type of research was undertaken so as to get more information regarding to NMMZ funding and how to improve these ways of funding.

3.4   Population

Cohen (1994) defines population as "the theoretically specified aggregation of study elements."Punch (2003) goes to identify population as the total targeted group or a complete set of group members who would be the subject of the research.The research targets personnel in the accounting, internal audit, human resources and management departments of NMMZ.

3.5 Sampling.

This is a process of making deliberate choices of a number of people whom are to provide information from which it represents conclusions about some larger group whom these people represent.

Advantages of sampling

Sidhu (2003:67) gives the advantage of sampling as easy to nullify results when dealing with a very large sample which in fact holds very little knowledge on the subject matter. A sample also saves time in the research period as compared in using the population size.

Disadvantages of sampling

Oakshott (2006) describes sampling as an expensive action to adopt; the collection processes of a sample are much more costly since it is a friction of the whole population. Expensive is also in the sense that they are high probabilities of bias on the selection method leading to the wrong conclusions. Sampling is also a difficult method in designing the procedures to be undertaken and also not at times flexible to be applied in all situations. A time it is a necessity

to conduct a census where the whole population is examined

3.5.1 Sample Size

Table 3.1 Sample size

Respondent group	Population	Sample size	Sample	Data collection Method used
Management	6	6	100%	Questionnaires and interviews
Finance department	8	8	100%	Questionnaires and interviews
Internal Audit	3	3	100%	Questionnaires and interviews
Research department	14	14	100%	Questionnaires and interviews
Administration	2	2	100%	Questionnaires
Human resources department	6	5	83%	Questionnaires
Total	39	38	97%	

3.5.2 Sample Procedure

Judgmental sampling

Wagner (2003:156) said "judgmental sampling is a non-probability sampling technique based on judgment." Westfall (2008) is also of the same opinion that the researcher use his or her knowledge in selecting samples mainly basing on experience of selected samples. The advantage of judgmental sampling was that the judgment was likely to bring out the required data specific for the research problem through the experience with the company and occupied relevant vacant posts for knowledge obtained. This technique was also cheaper and easier since only few individuals were selected.

Random Sampling

Westfall (2008) defines random sampling as statistical sampling methods were each individual in the population has an equal probability of being selected as part of the sample with or without replacement. This method reduces the chances of bias and assures representation of the population.

3.6 Data sources

Secondary data and primary data are the two types of data sources which were used in the research. The researcher was concentrated mainly on the use of documented literature and field research to identify the funding policies adopted by NMMZ, personnel capacity in implementing funding guidelines and best possible ways of funding the company. In this research secondary data was mainly used, however primary data was used as a complement.

3.6.1 Secondary data (Desk Research)

Secondary data is information used in research that has already been collected from previous findings and used for other purposes rather than directly by the researcher. Grimsley (2003) "Secondary data is information that has already been collected for a purpose other than your current research project but has some relevance and utility for your research and utility for your research." Secondary data was used by the researcher to present the chapter on Literature Review and background of study. Sources can be subdivided into internal and external secondary data sources

Internal sources

Relates to data that was already in existence and stored in the company premises. These includes NMMZ annual financial statements, management accounts, quarterly financial reports and annual financial reports.

External sources

External data is data that is collected by other people or organizations for the external environment. Getting into much detail these sources include published textbooks, internet articles, business journals and newspaper articles.

Advantages of Secondary Data

Using secondary data can allow for the analyses of social processes in what would otherwise be inaccessible settings. It also saves time enabling the researcher to cover wide geographical areas and money by allowing large scale studies on a small budget. Secondary data sources do not tannish image of an organization or goodwill since data represents situation on the ground. Work has already been done and ready for collection that avoids problems with related data collection processes. Using someone else's data can also facilitate a comparison with other data samples and allow multiple sets of data to be combined.

Disadvantages of Secondary Data

Secondary data does not permit the progression from formulating a research question or designing methods to answer that question. It is also not feasible for a secondary data analyst to engage in the habitual process of making observations and developing concepts. These limitations hinder the ability to focus on the original research questions. Data quality is always a concern because its source may not be trusted examples include unaudited financial statements. There may be data access limitations or restrictions. Critical data analysis may be required as information may not be accurate and may be out-dated for the intended use

3.6.2 Primary Data

Primary data refers to the first-hand information or raw information collected for the first time. Information is collected specifically for the current project at hand. Primary data was of gathered by the use of questionnaires, interviews, and observations of current controls in place.

Advantages of Primary Data

Information gathered brings about accurate based results and more realistic perspectives because it's obtained for the first time. There is control over data collected and no restrictions in obtaining it. Allows the researcher to use research skills to practical situations.

Disadvantages of Primary Data

It is a very time consuming method of collecting data as respondents took time to respond to questioners and additional time needed to gather findings into meaningful results. This is also

an expensive way of gathering data in terms of distribution of questioners to long distance geographical areas.

3.7 Research Instruments

3.7.1 Questionnaires

Westfall (2008) Questionnaires are data collection tools for which the respondents respond to a set of questions given. Self-administered questionnaires will be used to collect primary data. The researcher will design a standard questionnaire to address the research objectives to ensure comparability of the results. Questioners were semi structured by consisting closed and open end questions.

Advantages of Questionnaires

Questionnaires are a cheap way of gathering data from large number of people reached in the same particular area and cost can be saved as questionnaires are flexible enough to be sent by way of a mail. They allow uniformity in the way questions are asked thereby ensuring greater comparability in the responses that is one questionnaire provides quantifiable answers for a research area. The results of a questionnaire are more objective than those of interviews hence they are more reliable. Questionnaires provide anonymity of the respondents thereby giving assurance of their confidentiality and can be used for sensitive topics which users may feel not comfortable discussing with the interviewer. Questionnaires are easy to administer and analyse as they are simple and quick for respondents to complete.

Disadvantages of Questionnaires

Questionnaires are usually guaranteed with poor response, unwillingness to respond can be as a result of lack of appreciation of the relevance of the research. High risk of respondents giving incorrect information as there is no ways of identifying how truthful a respondent is being and incorrect data cannot be collected for a second time. Questionnaires are slower in the collection process as compared to interviews especially with the use of emails as respondents tend to forget. Some of the respondents may not understand the questions being posed in the questionnaire and some offer limited choices on responses. Questionnaire designing requires a lot of time and skill from the researcher so as to achieve the desired objectives. An appointment will be set for collecting the questionnaire on which the

researcher and the respondent would have agreed upon.

3.7.2 Personal Interviews

An interview is a purposeful discussion between two or more people which can be formalized or be informal. Personal interviews will be conducted with the management, finance and internal audit departments so as to complement the questioner research findings. Areas not covered or needing more detailed responses from questions in the questionnaire will be asked through personal interviews

Advantages of personal interviews

Personal interviews are highly flexible and one is able to deduce answers through respondent's actions such as the use of non-verbal communication and this made them attractive to use in this research. They also enabled more important information to be overlooked in the questions preparation. Interviews can be categorized related to the level of formality or structure hence insured high response rate. Less time consuming as immediate feedbacks and evaluations are made. A platform for vague answers and clarification on certain matters is provided also including the asking of more questions which were not planned. Interviews save time because responses are quick.

Disadvantages of Personal Interviews

Douglas et al (2007) said, "Main drawbacks with in-person interviews were found to be low motivation, standardized information and time pressure which hindered individuals from carefully considering their preferences." The fact that pressure exist the interviewee may not say all the relevant information and the interviewer may forget to ask very important questions. The pace of discussion in most cases is subject to interviewee's direct control and some managers may also refuse interviews citing lack of time of their side. Interviews are more expensive than email questionnaires in the case of the interviewer travelling long distances to reach respondent. Interviewee bias is prone in the sense that people have a tendency of support their personal viewpoints, which may not necessarily be true.

3.7.3 Observations

http://www.vocabulary.com defines an observation as paying attention to a certain condition. When conducting field primary the researcher had an open eye on internal controls that surrounded the organisations way of doing business. Wanenyika (2013) agrees that internal controls assist in risk identification and have an impact on personnel capacity to implement policies. An attitude that included a questioning mind and being alert to conditions relating to culture studies and the entities social world in observing controls was carried by the researcher

3.8 Types of questions

3.8.1 Open end questions

Penwarden (2013) identifies open ended questions as questions which are asked were respondents are in a much better position to give their opinion to the best of their knowledge. These questions were asked during face to face interviews carried out in the research.

Merits

Data obtained have more details on the subject matter as respondents are asked to think and reflect on issues concerned. They will give you opinions and feelings in a non-communicated way.

Demerits

Information received can at times be overwhelming because of being rich in quality. These types of questions work best in studies with smaller population hence not flexible in a much bigger population research or in researches with population statistically represented. Information obtained from open end questions tend to be difficult to analyse as different opinions are given from different people.

3.8.2 Closed end questions

Questions are asked were respondents have little information or cannot provide information about the subject matter hence resulting to guidance being given in form of multiple choice answers Penward(2013) .This was a familiar practice in questionnaire asked questions were respondents were requested to tick the answer they think was the most appropriate.

Merits

http://www.changingminds.org defines close end questions give facts, are easy to answer and quick to answer than open end questions. These questions keep control of the conversation with the questioner. Data from closed end questions is also easy to analyse.

Demerits

Penward (2013) said, "The major drawback to closed-ended questions is that a researcher must already have a clear understanding of the topic of his/her questions and how they tie into the overall research problem before they are created. Without this, closed-ended questions will lead to insufficient options for respondents to select from, questions that do not properly reflect the research's purpose, and limited or erroneous information." Respondents can be frustrated or feel they are not contributing much because the desired answers are not of their choice. Misinterpretation of the questions can go unnoticed. Closed end questions force respondents to give simplistic responses to complex issues.

3.8.3 Likert scale

Vagias (2006) this is a scale of answers in the same likelihood ranging from strongly agree, agree, uncertain, disagree and strongly disagree. This scale also helps to identify and measure beliefs, attitudes and opinion.

Merits

A universal data collection method is used. Data collected is also very easy to collect and analyse. By using this scale people are not forced to disclose confidential information hence remain neutral. Likert scales are good because they show the strength of the person's feelings to whatever is in question.

Demerits

To a lesser extend does this scale measure attitude since they is a small distance between answers to be selected. Not all questions can be asked using this scale; some require detailed answers from respondents hence these cannot be stand-alone questions. Results are easily faked where individuals want to present a false impression of their attitudes. Good attitude statements are difficult and take time to construct

3.9 Data triangulation

Patton (200) Triangulation refers to the use of more than one approach to the investigation of a research question in order to enhance confidence in the ensuing findings. This gives user assurance that a thorough research took place and can surely rely on the conclusions and recommendations made. By use of various methods such as primary and secondary data sources this research can be identified as a multimethod research.

3.10 Data Presentation

Alabi (2012) numerous ways are used to present data to ensure adequate capturing, processing and accurate output production. Data presentation techniques include tabulation and diagrammatic formats such as pie charts, bar charts and histograms. These were mostly used in presenting data on both primary and secondary data obtained in the research.

3.11 Data Analysis

Data analysis methods are descriptive in nature Binda et al (2009). These methods include percentage, mode and mean. Alabi (2012) a percentage is the rate of a particular value given over 100. Mean is obtained by summing up all the scores and dividing by the total number. Mode is defined as the most frequent occurring observations in a given set. All these analysis were adopted in this research   in analysing data.

3.12 Summary

The research methodology detailed in this chapter lays down the procedures adopted by the researcher in gathering primary data which is mainly a qualitative survey through personal interviews and questionnaires. The techniques for data collection, sampling, presentation and analysis of the data so collected were discussed as executed by the researcher. The following chapter is on data presentation and analysis.

CHAPTER 4

Data presentation and Analysis

4.0 Introduction

This chapter deals with presenting, analysing and discussing the findings of the research on funding operations of parastatals .The data assembled and analysed included questions extracted from response rates, existence of funding policy, policy implementation guidelines, personnel capacity available, controls in place, funding challenges being encountered , best possible ways of funding and a summary to conclude the chapter.

4.1 Response rate

4.1.1 Questionnaires response rate

A total of 38 questionnaires were administered to the management, accounting practitioners, human resources personnel, internal auditors and researchers. From the distributed 35/38 representing 92% completed and returned while 3/38 representing 8% were not returned. This is summarized in the table below.

Table 4.1.1: Questionnaire Response Rate

Category of Respondents	Targeted Respondents	Actual Respondents	Response rate (%)
Management	6	4	67
Accounting practitioners	8	7	88
Internal Audit	3	3	100
Administration	2	2	100
Human resources department	5	5	100
Research department	14	14	100
Total	**38**	**35**	**92**

The questionnaires response rate was 92% indicating satisfactory results.

4.1.2 Interview Response Rate

The research had targeted population of 3 interviews and all were carried out successfully resulting to a respondent's rate of 100%. This satisfactorily complemented finding in questionnaires. Table 4.2 shows the interview response rate.

Table 4.1.2 Interview response rate

Category of Respondents	Targeted Respondents	Actual Respondents	Response rate (%)
Management	1	1	100
Accountant	1	1	100
Internal Auditor	1	1	100
Total	**3**	**3**	**100**

4.1.3 Analysis of questionnaire response rate by Gender

The findings indicated that 22/35 (63%) were males and 13/35 (37%) were females.

Table 4.1.3 Questionnaire response rate by Gender

Gender	No. of Respondents	Percentage Response
Male	22	63%
Female	13	37%
Total	**35**	**100%**

4.1.4 Analysis of questionnaire response rate by job title

Table 4.1.4 Questionnaire response rate by job title

Position held	Respondents	Response rate (%)
Managers	4	11
Accounting practitioners	7	20
Auditor	3	9
Administrators	2	6
Researchers	14	40
Human resources officer	5	14
Total	**35**	**100**

The finding reflects that 4/35 (11%) were managers, 7/35 (20%) were accounting practitioners, 3/35 (9%) were auditors, 2/35 (6%) were administrators, 14/35 (40%) were researchers and 5/35(14%) were human resources officers.

This information is presented in the pie chart below.
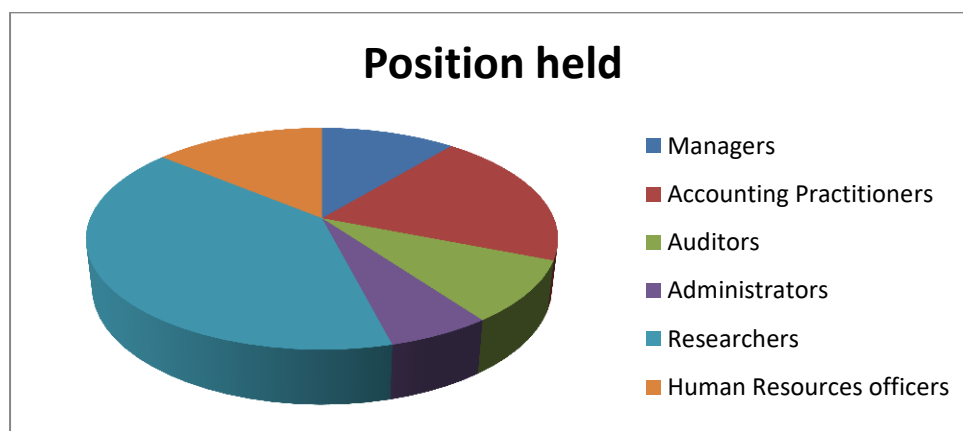
Fig 4.1.1 Questionnaire response rate by job title

4.1.5 Analysis of questionnaire response rate by department

Table 4.1.5 Questionnaire response rate by department

Department	Respondents	Response rate (%)
Management	4	11
Finance	7	20
Human Resources	5	14
Auditing	3	9
Administration	2	6
Research	14	40
Total	**35**	**100**

The finding reflects that 4/35 (11%) were in management, 7/35 (20%) were in finance department, 5/35 (14%) were in human resources department, 3/35 (9%) were in auditing department, 2/35 (6%) were in the administration department and 14/35(40%) were in research department.

4.1.6 Analysis of respondents based experience held on current positions

Table 4.1.6 Respondents' experience on current positions

Experience in Positions	1yr	1-5yrs	6-10yrs	>10yrs	Total
Responses	3	11	10	11	35
Percentage Responses (%)	9	31	29	31	100

Analysis is done to determine experience on current position so as to obtain vivid responses. The finding indicated that 3/35 (9%) have less than I year; 11/35) (31%) are in 1-5 years range; 10/35 (29%) are in 6-10 years range and 11/35 (31%) are above 10 years.

4.1.7 Analysis of response rate by qualification
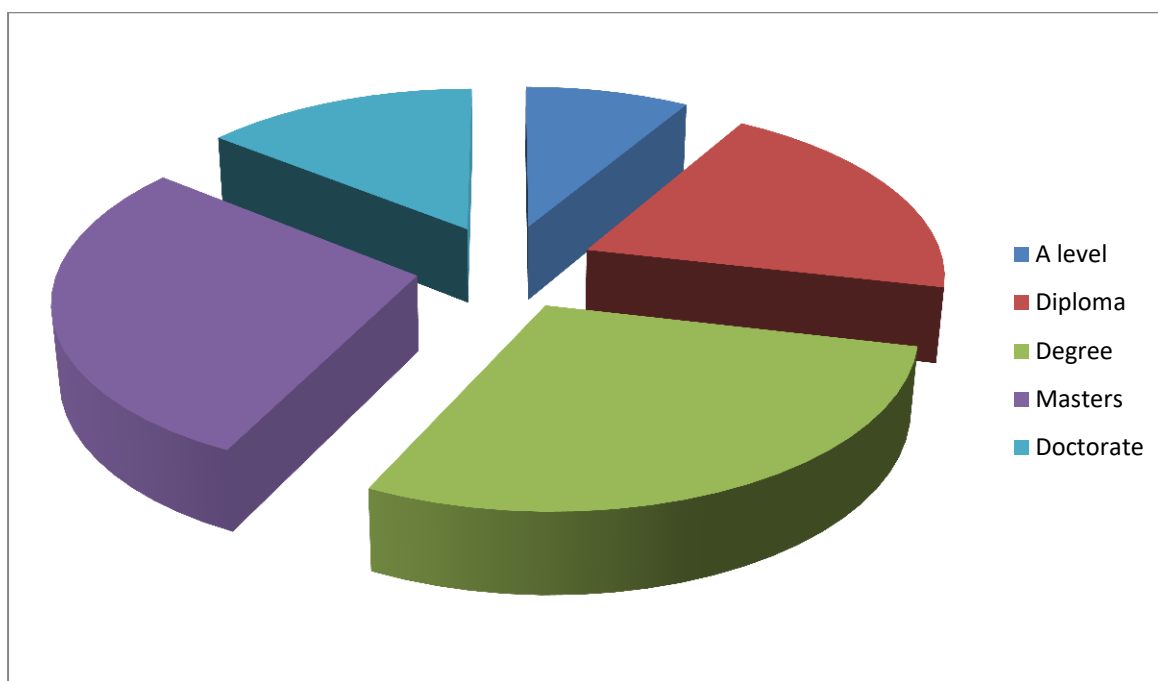
Fig 4.1.2 Response rate by qualification

Analysis rate by qualification is done so as to weigh creditability, integrity and validity of information obtained. 3/35 (9%) have Advanced level certificates, 7/35 (20%) have diplomas, 10/35 (29%) have degrees, 10/35 (29%) have masters and 5/35 (14%) have doctorates.

Conclusions can be made that information obtained was from professionally qualified personnel there proving to be relevant for the research.

4.2 Existence of funding policy at NMMZ

(i) Presence of finding policy at NMMZ

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	10	8	11	3	3	**35**
Percentage Responses (%)	29	23	31	8.5	8.5	**100**

Table 4.2.1: Responses on existence of funding policy at NMMZ

The researcher wanted to ascertain the existence of a funding policy at NMMZ. From the findings, results indicated that 10/35 (29%) strongly agreed; 8/35 (23%) agreed; 11/35 (31%) were uncertain; 3/35 (8.5%) disagreed and 3/35 (8.5%) strongly disagreed.

On aggregation 18/35 (51%) agreed whilst 17/35 (49%) disagreed meaning funding policy was in existence. Interviews carried out with management indicated the existence of a funding policy at NMMZ but however the existence was not effectively communicated in all departments of the organization.

(ii) Formal documentation of the funding policy

Table 4.2.2: Responses on the documentation of the funding policy

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	10	10	13	2	0	**35**
Percentage Responses (%)	29	29	37	5	0	**100**

The researcher wanted to find out whether or not there is formal documentation of the funding policy. Finding show that 10/35 (29%) strongly agreed; 10/35 (29%) agreed; 13/35 (37%) were uncertain; 2/35 (5%) disagreed and 0/35 (0%) strongly disagreed.

Conclusively 20/35 (57%) agreed whilst 15/35 (43%) disagreed interpreting that there is a formal documentation of the funding policy. Interview responses also supported this conclusion.

So these results indicate that there is a formal documentation of funding policy however not communicated formally to the rest of the organization.

(iii) Communication of the funding policy to both existing and new employees
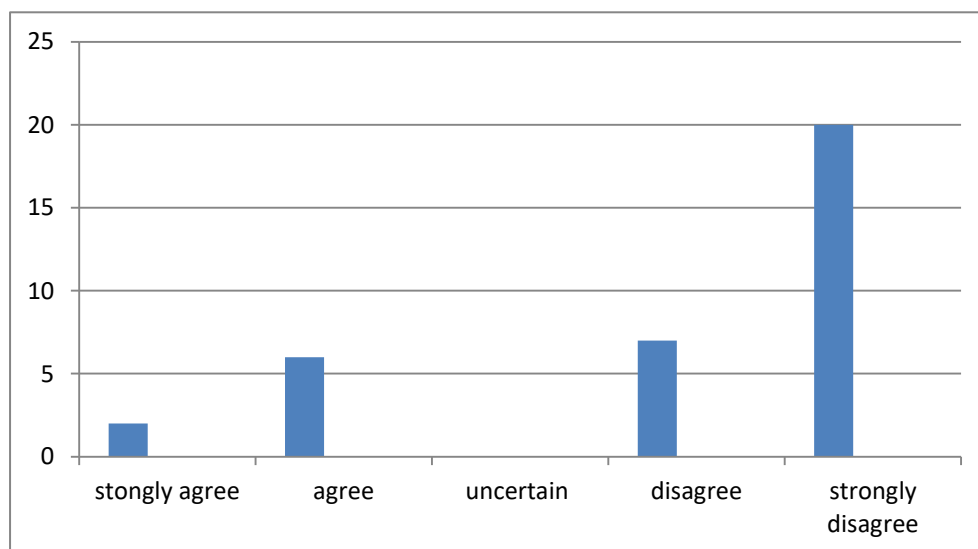
Fig 4.2.1: Responses on the funding policy communication to both existing and new employees

The main intention on this was to find out if funding policy was communicated to all employees in the organization. The findings indicate that 2/35 (6%) strongly agreed; 6/35 (17%) agreed; 0/35 (0%) were uncertain; 7/35 (20%) disagreed and 20/35 (57%) strongly disagreed.

All in all 8/35 (23%) agreed whilst 27/35 (77%) disagreed indicating that funding policies are not communicated to the majority of both existing and new employees when utilizing results using the mode.
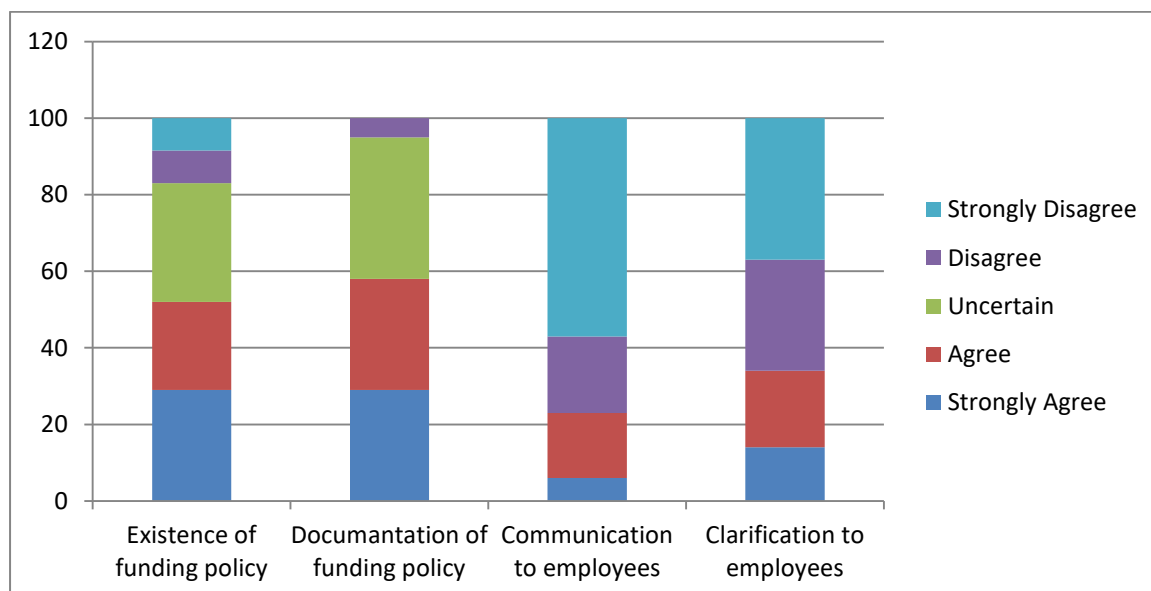
Fig 4.2.2 Information regarding NMMZ funding policy

4.3 Funding policy implementation guidelines at NMMZ.

(i) Presence and documentation of funding policy implementation guidelines at NMMZ

Table 4.3.1 Responses on the existence and documentation of funding policy implementation guidelines

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	7	11	0	10	7	**35**
Percentage Responses (%)	20	31	0	29	20	**100**

The agenda behind this question was to identify the presents and documentation of funding policy implementation guidelines.7/35 (20%) strongly agreed; 11/35 (31%) agreed; 0/35 (0%) uncertain; 10/35 (29%); disagreed and 7/35 (20%) strongly disagreed.

Totals summed up to 18/35 (51%) agreed whilst 17/35 (49%) disagreed. A small gap existed between the agreeing and disagreeing groups but however interviews went on to support the existence and documentation of funding policy guidelines implementations to be present.

This is an indication according to the mode basis that the presence and documentation of funding policy guidelines exist.

(ii) Existence of full financial cost assessment procedures

Table 4.3.2 Responses on the existence of full financial cost assessment procedures at NMMZ

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	16	7	0	6	6	**35**
Percentage Responses (%)	46	20	0	17	17	**100**

Full financial cost assessment procedures are viewed as a guideline for funding policy implementation. The question was asked to assess this view. The research shows that 16/35

(46%) strongly agreed; 7/35 (20%) agreed; 0/35 (0%) uncertain; 6/35 (17%); disagreed and 6/35 (17%) strongly disagreed.

In aggregate 23/35 (66%) agreed whilst 12/35 (34%) disagreed.

Resultantly, there is existence of full financial cost assessment procedure to act as guideline for funding policy implementation. An interview with the Finance Manager indicated that costs are properly recorded and accurately measured since recalculation procedures exist.

(iii) Existence of a budgetary procedure at NMMZ

Table 4.3.3 Responses on the existence of a budgetary procedure

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	24	7	1	2	1	**35**
Percentage Responses (%)	69	20	3	5	3	**100**

Budgets can be the best of funding a company but making use of limited resources to cover major cost thereby creating internal funding. The question seeks to identify the existence of a budgetary procedure at NMMZ. The results were as follows 24/35 (69%) strongly agreed; 7/35 (20%) agreed; 1/35 (2%) uncertain; 2/35 (6%); disagreed and 1/35 (3%) strongly disagreed.

Overall 31/35 (89%) agreed whilst 4/35 (11%) disagreed in concluding that NMMZ has a budgetary procedure as a guideline for funding policy implementation.

(iv) Proper monitoring and evaluation of budgetary procedures

Table 4.3.4 Responses on proper monitoring and evaluations of budgetary procedure

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	10	9	2	7	7	**35**

Percentage Responses (%)	29	26	5	20	20	**100**

The question seeks to identify whether NMMZ budgets are monitored and evaluated. The findings indicated that 10/35 (29%) strongly agreed; 9/35 (26%) agreed; 2/35 (5%) uncertain; 7/35 (20%); disagreed and 7/35 (20%) strongly disagreed.

In a nut shell 19/35 (54%) agreed whilst 16/35 (46%) disagreed in concluding that NMMZ budgetary procedures are properly monitored and evaluated. Results of interviews indicated that majority of staff is not aware of proper monitoring and an evaluation of budgets as this is mostly done through Parliamentary proceedings at national level.
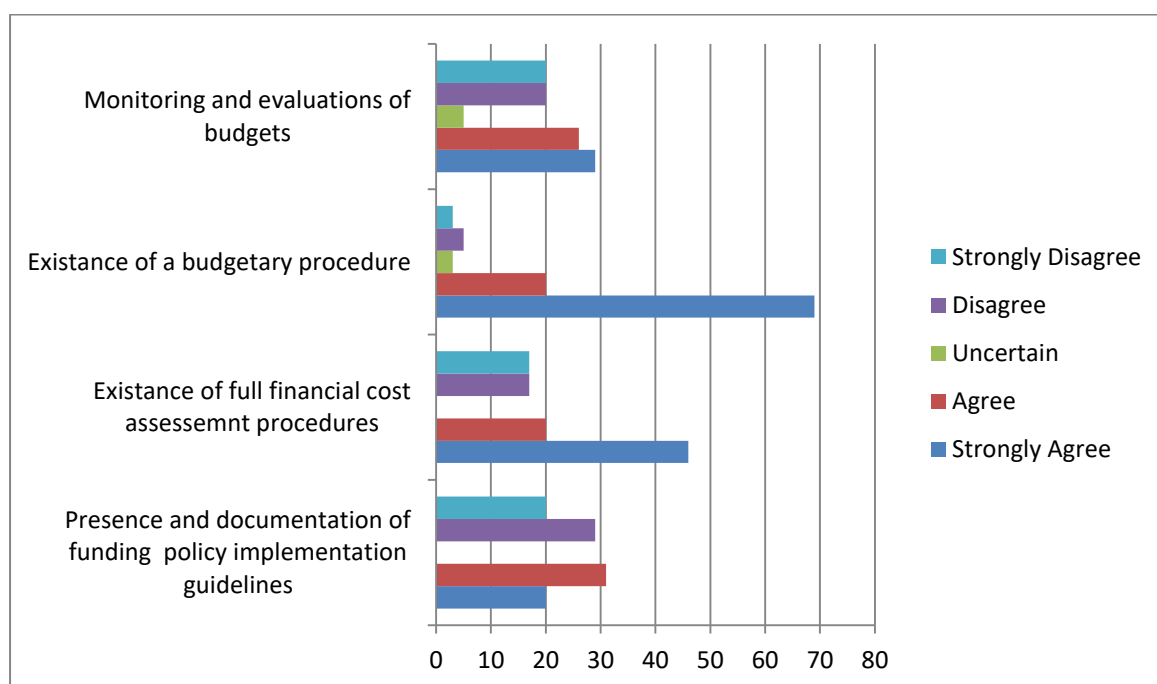
Fig 4.3 Information regarding policy implementation guidelines

4.4 Personnel capacity available for the implementation of funding policy at NMMZ

(i) Information regarding personnel at NMMZ holding full accountability of posts held

Table 4.4.1 Responses on personnel accountability on post held

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	12	13	3	3	4	**35**
Percentage Responses (%)	34	37	9	9	11	**100**

This question seeks to identify whether personnel at NMMZ hold full accountability of posts held, which indicated that 12/35 (34%) strongly agreed; 13/35 (37%) agreed; 3/35 (9%) uncertain; 3/35 (9%) disagreed and 4/35 (11%) strongly disagreed.

Typically 25/35 (71%) agreed and 10/35 (29%) disagreed.

 The results point that out that related positions held by personnel at NMMZ are fully accounted for.

(ii) NMMZ trains and retrains personnel for developments in funding policy

Table 4.4.2 Responses on personnel training existence

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	2	14	2	6	11	**35**
Percentage Responses (%)	6	40	6	17	31	**100**

The question gave clarity on personnel training and retraining programs concerning latest developments on funding policies. Findings indicated that 2/35 (6%) strongly agreed; 14/35 (40%) agreed; 2/35 (6%) uncertain; 6/35 (17%) disagreed and 11/35 (31%) strongly disagreed.

Overall 54% disagreed and 46% agreed indicating that no effective training and retraining were adequately in place for new developments in funding policy. However information obtained from face to face interviews argued that training programs were effectively undertaken but only specified to the finance department only.

So results according to the mode concept indicated no training and retraining personnel for developments in funding policy existed.

(iii) NMMZ has a committee to represent employee requirements

Table 4.4.3: Responses on the existence of a committee to represent employees

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	14	12	3	3	3	**35**
Percentage Responses (%)	40	33	9	9	9	**100**

Results showed that 14/35 (40%) strongly agreed; 12/35(33%) agreed; 3/35(9%) were uncertain; 3/35 (9%) disagreed and 3/35 (9%) strongly disagreed.

Generally 26/35 (74%) agreed whilst 9/35 (26%) disagreed.

Results indicated a committee to represent employees is in place.

(iv) Availability of financial resources to help the Committee implement funding policy.

Table 4.4.4 Availability of financial resources to aid committee in policy implementation

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	3	3	5	14	10	**35**
Percentage Responses (%)	9	9	14	40	29	**100**

3/35 (9%) strongly agreed; 3/35 (9%) agreed; 5/35 (14%) uncertain; 14/35 (40%) disagreed and 10/35 (29%) strongly disagreed.

Reflected by summarized statistics of 6/35 (16%) agreeing and 29/35(83%) disagreeing, It can be concluded that financial resources are not available to aid committee in policy implementation.

Table 4.4.5 Responses on gender balance representation

(v) Gender balance factors are fully represented by the committee

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	3	9	0	10	13	**35**
Percentage Responses (%)	8.5	26	0	28.5	37	**100**

Personnel capacity is lacking because of gender imbalances that exist. To ascertain this question on whether gender balance issues being represented by the committee was asked. The findings indicate that 3/35 (8.5%) strongly agreed; 9/35 (26%) agreed; 0/35 (0%) were uncertain; 10/35 (28.5%) disagreed and 13/35 (37%) strongly disagreed.

Generally 12/35 (34%) agreed whilst 23/35 (66%) were in disagreeable indicating that personnel capacity available in the implementation of funding policy was affected by gender imbalance factors.

(vi) NMMZ personnel is motivated for the implementation of funding policy

Table 4.4.6 Responses on personnel motivation

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	4	7	0	11	13	**35**
Percentage Responses (%)	11	20	0	31	37	**100**

Motivation has a positive impact on personnel capacity to implement policies. The question was asked to identify if motivation existed among employees. 4/35 (11%) strongly agreed; 7/35 (20%) agreed; 0/35 (0%) uncertain; 11/35 (31%); disagreed and 13/35 (37%) strongly disagreed.

All assembled totaled to 11/35 (31%) agreed and 24/35 (69%) disagreed. 100% interview responses were also of this view that low motivation exist.

Results showed that personnel capacity was being affected by low motivational factors in the implementation of policies.
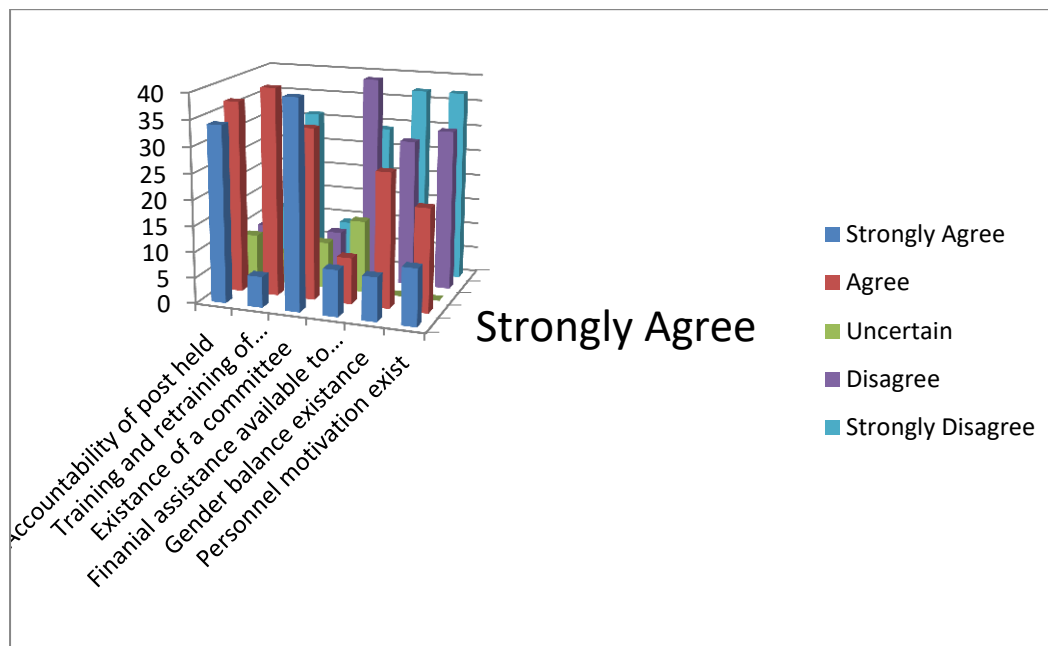
Fig 4.4. Summary of Information relating to personnel capacity available

4.5 Controls in place for funding policy implementation

(i)   Controls exist on funding policy implementation at NMMZ.

Table 4.5.1 Responses on the existence of controls over funding policy implementation

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	5	13	2	12	3	**35**
Percentage Responses (%)	14	37	6	34	9	**100**

The research question was undertaken to investigate existence of controls for the implementation of policies. 5/35 (14%) strongly agreed; 13/35 (37%) agreed; 2/35(6%) uncertain; 12/35 (34%); disagreed and 3/35 (9%) strongly disagreed.

In total 18/35 (51%) agreed on which 17/35 (49%) disagreed indicating existence of controls on NMMZ funding policy .So controls over funding policy do exist at NMMZ.

(ii)   Controls and responsibility areas over funding policy are clearly defined

Table 4.5.2: Responses on controls and responsibility areas being clearly defined

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	8	11	2	7	7	**35**
Percentage Responses (%)	23	31	6	20	20	**100**

Identifying controls and responsibility areas being clearly defined was the main agenda of the question asked. The researcher noted that 8/35 (23%) strongly agreed; 11/35 (31%) agreed; 2/35 (6%) were uncertain; 7/35 (20%) disagreed and 7/35 (20%) strongly disagreed.

All in total 19/35 (54%) agreed whilst 16/35 (46%) disagreed.

Controls and responsibility areas are clearly defined over funding policy

(iii)   Funding programs are authorized by responsible personnel before they are implemented.

Table 4.5.3: Responses on the authorization of funding programs

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	11	14	2	4	4	**21**
Percentage Responses (%)	31	40	6	11	11	**100**

Question was investigated to notify if whether or not authorization for funding programs is in place .Results showed 11/35 (31%) strongly agreed; 14/35 (40%) agreed; 2/35 (6%) were uncertain; 4/35 (11%) disagreed and 4/35 (11%) strongly disagreed.

To sum up 25/35 (71%) agreed whilst 10/35 (29%) disagreed, resulting to a conclusion that funding policy programs are authorized by responsible personnel before they are implemented.

(iv)   National Budgeting issues have an impact on NMMZ funding policy

Table 4.5.4: Responses on impact of nation budgeting issues on NMMZ funding policy

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	14	13	1	6	1	**35**
Percentage Responses (%)	40	37	3	17	3	**100**

Determining whether national budget issues have an impact on NMMZ funding will help identify external control of NMMZ funding policy. Results obtained showed that 14/35 (40%) strongly agreed; 13/35 (37%) agreed; 1/35 (3%) were uncertain; 6/35 (17%) disagreed and 1/35 (3%) strongly disagreed.

Totals were 27/35 (77%) agreed whilst 8/35 (23%) indicating that some external form of controls exist for the implementation of NMMZ funding policy.

(v)   NMMZ has a decentralized organizational structure

Table 4.5.5: Responses NMMZ decentralized organizational structure

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	7	13	2	8	5	**35**
Percentage Responses (%)	20	37	6	23	14	**100**

Decentralization helps in the channeling of resources and dissemination of controls for implementation of funding policy .From the results, 7/35 (20%) strongly agree; 13/35 (37%) agree; 2/35 (6%) uncertain; 8/35 (23%) disagree and 5/35 (14%) strongly disagree.

Altogether 20/35 (57%) agreed whilst 15/35 (43%) disagreed. Conclusion was made that NMMZ has a decentralized organizational structure as a control for the implementation of funding policy. Interview results 3/3 (100%) were also in support of this view.

(vi)   Social values have an impact on NMMZ funding

Table 4.5.6: Responses on social value impact on funding policy

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	11	7	9	5	3	**35**
Percentage Responses (%)	31	20	26	14	9	**100**

Determining impact of social values on NMMZ funding policy help to put controls in line with those existing social values .11/35 (31%) strongly agreed; 7/35 (20%) agreed; 9/35 (26%) uncertain; 5/35 (14%) disagreed and 3/35 (9%) strongly disagreed.

Entirely 18/35 (51%) agreed and 17/35 (49%) disagreed. Results indicated that social values had an impact on NMMZ funding policy. All 3/3 (100%) interview findings also supported this view .Concluding that controls have to be focused on social values and cultures in the company funding policy.
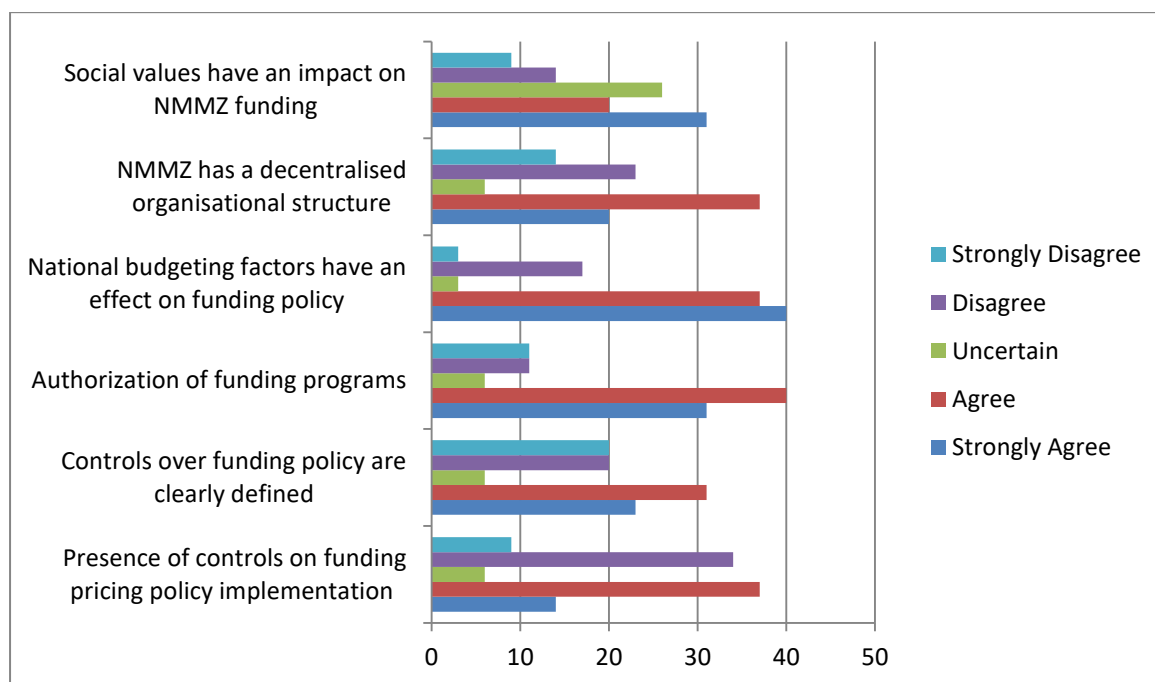
Fig 4.5. Information regarding controls in place for implementation of policy

4.6 Challenges being encountered on funding policy implementation

Information in this segment was asked so as to get clarity on issues affecting implementation of funding policy in the organization.

(i)Employees Resistance

Table 4.6.1 Responses on employee's resistance in implementation of policy

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	12	7	0	9	7	**35**
Percentage Responses (%)	34	20	0	26	20	**100**

12/35 (34%) strongly agreed; 7/35 (20%) agreed; 0/35 (0%) uncertain; 9/35 (26%); disagreed and 7/35 (20%) strongly disagreed.

Conclusion was 19/35 (54%) agreed whilst 16/35 (46%) disagreed. Findings from interviews indicated 2/3 (67%) agreed and 1/3 (33%) disagreed. This gave a conclusive fact that indeed there was employee resistance in the implementation of funding policy.

(ii) Lack of resources (financial, time and others)

Table 4.6.2: Responses on lack of resources for policy implementation

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	13	19	1	2	0	**35**
Percentage Responses (%)	37	54	3	6	0	**100**

13/35 (37%) strongly agreed; 19/35 (54%) agreed; 1/35 (3%) uncertain; 2/35 (6%) disagreed and 0/35 (0%) strongly disagreed.

Totals were 32/35 (91%) agreeing and 3/35(9%) disagreeing .This indicated that resource such as financial and time were lacking towards the channeling of funding program implementation.

(iii) Poor managerial commitment on funding policy programs

Table 4.6.3 Responses to management commitment to funding programs.

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	9	14	0	8	4	**35**
Percentage Responses (%)	26	40	0	23	11	**100**

Investigations indicated that 9/35 (26%) strongly agreed; 14/35 (40%) agreed; 0/35 (0%) uncertain; 8/35 (23%) disagreed and 4/35 (11%) strongly disagreed.

Summing up 23/35 (66%) agreed whilst 12/35 (34%) disagreed indicating poor managerial commitment on funding policy programs.

(iv) Existence of unqualified personnel

Table 4.6.4 Responses on existence of unqualified personnel

\Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	6	13	2	7	7	**35**
Percentage Responses (%)	17	37	6	20	20	**100**

6/35 (17%) strongly agreed; 13/35 (37%) agreed; 2/35 (6%) uncertain; 7/35 (63%) disagreed and 7/35 (20%) strongly disagreed.

In total 19/35 (54%) agreed on which 16/35 (46%) disagreed. Results showed that NMMZ had unqualified personnel for the implementation of funding policy. Interview results were also in support of this view.

(v) Poor information network

Table 4.6.5 Responses on poor information network

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	12	15	1	6	1	**35**
Percentage Responses (%)	34	43	3	17	3	**100**

Findings results were 12/35 (34%) strongly agreed; 15/35 (43%) agreed; 1/35 (3%) uncertain; 6/35 (17%) disagreed and 1/35 (3%) disagreed.

Altogether 27/35 (77%) agreed and 8/35 (23%) disagreed indicating poor information networking in the organization

(vii)   Legal requirements constrains in funding policy

Table 4.6.6 Responses on legal requirements constrains in funding policy

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	3	7	7	12	6	**35**
Percentage Responses (%)	9	20	20	34	17	**100**

3/35 (9%) strongly agreed; 7/35 (20%) agreed; 7/35 (20%) uncertain; 12/35 (34%) disagreed and 6/35 (17%) strongly disagreed.

On aggregation 10/35 (29%) agreed whilst 25/35 (71%) disagreed, showing that no legal challenges in funding program implementation were being faced. Interviews carried out reviewed the same conclusions 0/3 (0%) agreeing and 3/3 (100) disagreeing.
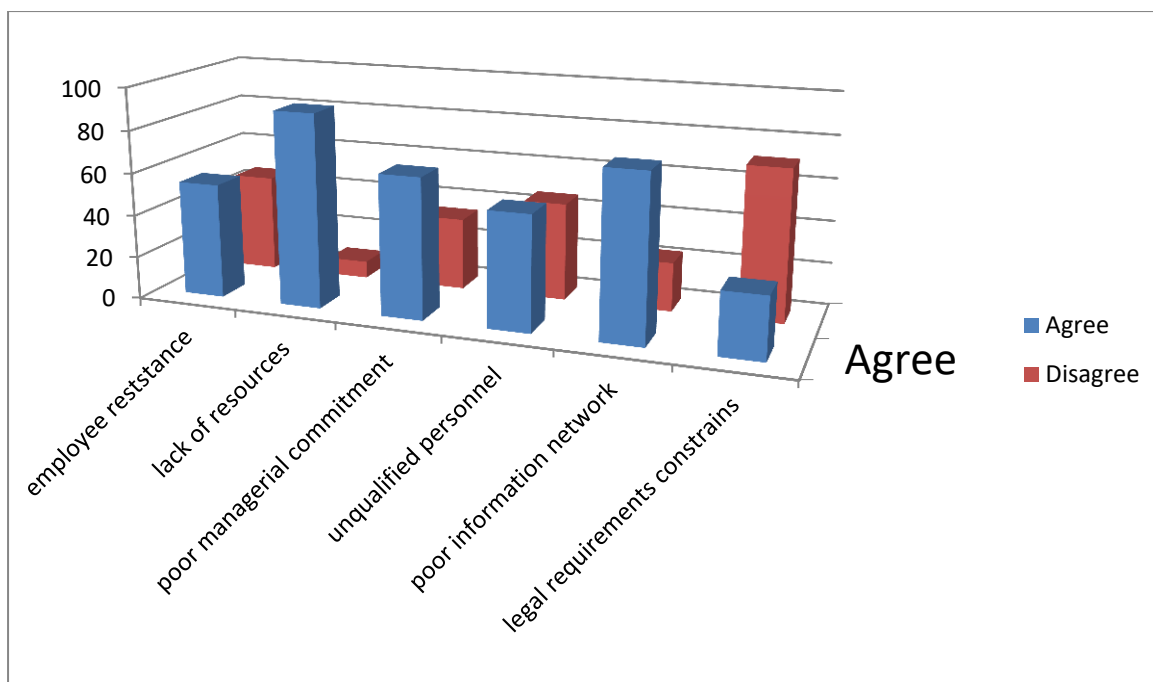
Fig 4.6 Challenges faced in funding policy program implementation

4.7 Best possible ways of funding NMMZ

Questionnaire research questions seek to find the most suitable ways of funding NMMZ

(i) Adaptation of activity based costing

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	10	12	2	6	5	**35**
Percentage Responses (%)	29	34	6	17	14	**100**

Table 4.7.1: Response to adaptation of activity based costing

10/35 (29%) strongly agreed; 12/35 (34%) agreed; 2/35 (6%) uncertain; 6/35 (17%); disagreed and 5/35 (14%) strongly disagreed.

Totals were 22/35 (63%) agreed on which 13/35 (37%) disagreed.

The results show indicated that adaptation of activity based costing can be the best way of funding NMMZ

(ii) Adaptation of zero based budgeting

Table 4.7.2 Response to adaptation of zero based budgets

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	7	4	7	8	9	**35**
Percentage Responses (%)	20	11	20	23	26	**100**

7/35 (20%) strongly agreed; 4/35 (11%) agreed; 7/35 (20%) uncertain; 8/35 (23%) disagreed and 9/35 (26%) strongly disagreed.

Overall 11/35 (31%) agreed and 24/35 (69%) disagreed. The results showed that zero based budgeting technics are not best for the funding of the company.

(iii) Outsourcing of funds

Table 4.7.3: Responses on outsourcing of funds

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	18	11	4	2	0	**35**
Percentage Responses (%)	51	31	11	6	0	**100**

18/35 (51%) strongly agreed; 11/35 (31%) agreed; 4/35 (11%) uncertain; 2/35 (6%) disagreed and 0/35 (0%) disagreed.

Altogether 29/35 (83%) agreed and 6/35 (17%) disagreed. Results confirmed outsourcing as a best way of funding NMMZ. However interview results 3/3 (100%) indicated uncertainty concern over this issue hence disagreed to outsourcing of funds

(iv) The company to opt for privatization

Table 4.7.4: Responses on opting for privatization

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	1	1	14	7	12	**35**
Percentage Responses (%)	3	3	40	20	34	**100**

1/35 (3%) strongly agreed; 1/35 (3%) agreed; 14/35 (40%) uncertain; 7/35 (20%) disagreed and 12/35 (34%) strongly disagreed.

Totals were 2/35 (6%) agreed whilst 33/35 (94%) disagreed. Interview results were 0/35 (0%) agreed and 3/3 (100%) disagreed. These findings indicate that privatization was not a best way of funding NMMZ. Interviews also supported this opinion indication greater uncertainty associated with such a move.

(v) Undertaking of projects for increased revenue base

Table 4.7.5: Responses on undertaking of projects

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	11	20	1	2	1	**35**
Percentage Responses (%)	31	57	3	6	3	**100**

The researcher found that 11/35 (31%) strongly agreed; 20/35 (57%) agreed; 1/35 (3%) uncertain; 2/35 (6%) disagreed and 1/35 (3%) strongly disagreed.

On the contrary 31/35 (89%) agreed whilst 4/35 (11%) disapproved .The results show that undertaking of projects can be a better move for improving NMMZ funding.

(vi) Opting for diversification

Table 4.7.6: Responses on diversification option

Responses	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of Respondents	11	19	1	3	1	**35**
Percentage Responses (%)	31	54	3	9	3	**100**

The researcher found that 11/35 (31%) strongly agreed; 19/35 (54%) agreed; 1/35 (3%) uncertain; 3/35 (9%) disagreed and 1/35 (3%) strongly disagreed.

Summing up 30/35 (86%) agreed whilst 5/35 (14%) disapproved .The results show that diversification is a best possible way of funding NMMZ.

(vii) Interview Responses

In face to face interviews carried out by the researcher other ways of funding NMMZ were also suggested. These include restructuring, staff rationalization and strategic partnership with other stakeholders.

4.8 Summary

This chapter presented the research findings and analyzed the data obtained from questionnaires, interviews and observations qualitatively. The results of the findings have been used to make recommendations basing on moderate results. The next chapter will highlight summary, conclusions and recommendations.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter includes summary of study, summary of research findings, conclusions, recommendations and areas of further study.

5.1 Summaries of Chapters

The research was undertaken to assessment the funding of parastatals a case specified to National Museum and Monuments of Zimbabwe for the period 2011 to 2013.Chapter 1 looked at background of the problem and evidence of existence of the problem that NMMZ was facing in funding of its operations.

Chapter two reviews related literature on funding of parastatals.

Chapter three is an overview of research methods used to gather data on issues relating to funding of NMMZ by carrying out a sample of 35 questionnaires out of a population of 38 and three interviews to complement.

Chapter 4 deals with presenting, analysing and discussing of research findings carried out in chapter three.

5.2 Summary of major findings

The following research findings indicated areas or challenges being encountered by NMMZ in effectively administering and implementation of existing funding policies.

To identify NMMZ's funding policy.

NMMZ has an existing funding policy in place however from research findings 17/35 (49%) of the sample population were not aware of the existence of the policy.

To identify funding guidelines for policy implementation which are currently in place

Budgets and budgetary proceedings were presents in NMMZ operations as guideline for funding policy implementation .However these budgets were not being closely monitored and evaluated for internal funding built in as supported by Brushett (1998).

To identify personnel capacity available in implementing guidelines.

NMMZ personnel lacked full capacity in implementing funding policy due to absence of training and retraining on new developments of the policy .This is also supported by Yusuf (2013). Findings also indicated low motivational levels in the implementation of policies. Demotivation causes employees to be reluctant in the accomplishment of designated goals and targets as supported by Bram (2006).

NMMZ has a current running employee representation committee; the research indicated that funds are not available to aid the effective functioning of the committee to implement guidelines for funding policy. This committee also contribute in the incapacity of personnel to implement policies as women are left out and not fully represented for gender balance Maseko (2013)

NMMZ should also not have a biased recruitment and selection process. Personnel have to be adequately qualified as findings indicated existence of unqualified personnel.

To identify controls in place over policy implementation.

External factors identified as national budgeting procedures and social values resulted to having a direct impact on NMMZ funding policy controls. These factors need to be considered when setting controls over funding policy for NMMZ.

To suggest possible best practice of funding NMMZ

Findings indicated activity based costing, out sourcing, undertaking of projects, diversification as best ways of funding NMMZ. Face to face interviews also suggested restructuring, staff rationalization and strategic partnership with other stakeholders.

Indications also conclusively argued that zero based budgeting and privatisation suggested by Cloete (2011) and   Nattrass (2011) respectively were not best ways of funding NMMZ hence not applicable to the organisation.

5.3 Conclusion

The search was a success as it brought about useful results that can be adopted to solve the problem at hand. According to the research findings it can concluded that funding of NMMZ operations is being affected by non-communication of the policy within the organisation, personnel incompetency and need for budgetary monitoring and evaluations. However some factors contributing to funding such as decline in Government grants and social values, these issues the company has no direct control over but internal funding can be generated to fund NMMZ operations.

5.4 Recommendations

- **Existence of funding policy :**
  Effective information networking systems

Two way communication systems help in better understanding of task at hand. Motivation also sets in as subordinates are given the opportunity to be heard and also to ask questions thereby undertaking tasks as intended for the attainment of goals. NMMZ can also adopt new developments in technology by opting to be more than 50% of being computerised as a way of aiding communication. Technological systems of entering visitor's entry in sites can automatically update and effectively communicate total income for a period accurately than the use of manual transactions. Systems can also be updated in such a way that consolidation of transactions incurred by regions can update automatically in the master parent group file using internet by just a simple post of transactions.

- **Personnel capacity available for the implementation of funding policy :**

Training and retraining programs

Training and retraining of staff is recommended so as to increase the rate of personnel quality services and general business conducts. This also gives a feeling of belonging to the organisation hence increased motivation levels.

- **Best possible way of funding NMMZ :**

Activity based costing

A cost reduction technique which aims at reducing costs by identifying cost drives for each activity. It helps to identify factors affecting cost increments and best possible ways of

reducing costs. This can facilitate future cash information for decision making process aiming at better economic line decisions.

Diversification

The company can undergo other lines of trade besides those currently in place in meeting all wants and need of tourists both local and international visitors of sites at the advantage of creating revenue for the company. Thus being a one stop shop tourism service provider.

Projects

Undertaking of projects for increased revenue sources. Proper costs and benefit is needed before commencement taking into account recognition of social impact. Need also arise time and again to continue the processes of measuring performance of the undertaken projects basing on strategic objectives.

5.5 Areas of further Study

Having completed this research, it is recommended further research be conducted on restructuring, staff rationalisation and strategic partnership with other stakeholders in providing solutions to NMMZ current funding challenges.

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Appendix 1

Cover Letter

MIDLANDS STATE UNIVERSITY

P BAG 9055

GWERU

12 September 2014

National Museums and Monuments of Zimbabwe

107 Rotten Row

Harare

Dear Sir / Madam

RE: APPLICATION FOR PERMISSION TO CONDUCT AN ACADEMIC RESEARCH

My name is Rutendo P Janasi a final year student at Midlands State University. I am seeking permission to conduct an academic research on the following topic "An assessment of funding operations of Parastatals. A case National Museums and Monuments of Zimbabwe."

The research is carried out in partial fulfillment of Bachelor of Commerce Accounting Honors Degree.

The information that will be obtained will be used for academic purposes only. For confirmation on the use of the information contact Mr Mazhindu on 0772251404.

Your cooperation is greatly appreciated

Yours faithfully

Rutendo P Janasi (R112321g)

Appendix 2

Interview guide

An assessment of funding operations of Parastatals. A case National Museums and Monuments of Zimbabwe

Interview guide: Questions to NMMZ management and employees.

1.What is the funding policy for NMMZ?

……………………………………………………………………………………………

2. What funding guidelines for policy implementation are in place?

……………………………………………………………………………………………………

……………………………………………………………………………………………………

3. What personnel capacity is available to implement guidelines?

……………………………………………………………………………………………………

……………………………………………………………………………………………………4

4.What controls are in place over policy implementation?

……………………………………………………………………………………………………

……………………………………………………………………………………………………5

.What would be the best practice in funding NMMZ?

……………………………………………………………………………………………………

……………………………………………………………………………………………………

……………………………………………………………………………………………………

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End of questions

Rutendo Janasi (R112321g)

Appendix 3

Questionnaire

Questionnaire for Management and employees

An assessment of funding operations of Parastatals. A case National Museums and Monuments of Zimbabwe.

Instructions

1. **Do not write your name on the questionnaire.**

2. **Show response by ticking the respective answer box and fill in the relevant spaces provided.**

Questions

Personal Questions

1. **Gender**:   Male ☐   Female ☐

2. **Position held**

   Manager ☐ Accountant ☐ Accounts Clerk ☐ Auditor ☐ Archaeologist ☐

   Others (specify)…………………………………………………**…..**

3. **Department**

   Management ☐   Finance ☐   Human Resources ☐

   Others (specify)………………………………………………………………..

4. **You have been in the department for**:

   Less than 1yr ☐   1-5years ☐   6-10years ☐   More than 10years ☐

   Others (specify)……………………………………………………………………

5. **Your experience in the current position**

   Less than 1yr ☐   1-5years ☐   6-10years ☐   More than 10years ☐

   Others (specify) ……………………………………………………………………

6. **Your highest academic qualification**

   'A' Level ☐ Diploma ☐   Degree ☐ Masters ☐ Doctorate ☐

   Others (specify) ……………………………………………………………………

   ……………………………………………………………………………………

7. **The following is in regard to NMMZ Funding policy.**

	Strongly Agree	Agree	Uncertain	Disagree	Strongly disagree
(i)NMMZ has a funding policy.					
(ii)The policy is formally documented.					

(iii)The funding policy is communicated to all employees in the organisation.					
(iv)The funding policy is communicated to new personnel.					
(v)Clarification is given to employees for better understanding on the funding policy.					

Information regarding policy implementation guidelines.

	Strongly Agree	Agree	Uncertain	Disagree	Strongly disagree
(i)There is funding policy implementation for guidelines at NMMZ.					
(ii)The policy implementation guidelines are documented.					
(iii)Full financial cost assessment procedures exist.					
(iv)NMMZ has a budgetary procedure					
(vi)Budgets are properly monitored					

9. The following information relates to personnel capacity available in implementing guidelines at National Museums and Monuments of Zimbabwe

	Strongly Agree	Agree	Uncertain	Disagree	Strongly disagree
(i)Personnel at NMMZ hold full accountability of their respective posts.					
(ii) NMMZ trains and retrains its personnel for new developments in funding policies.					
(iii) NMMZ has a committee to represent employee requirements.					
(iii) Senior management helps the committee in implementing the policies.					
(iv) Financial resources are available to help the Committee implement policies.					
(iiv) Gender balance factors are fully represented by the committee.					

	Strongly Agree	Agree	Uncertain	Disagree	Strongly disagree
(iiv) NMMZ personnel is motived for the implementation of funding policies					

The following information regard to controls in place for implementation of funding policy at NMMZ.

	Strongly Agree	Agree	Uncertain	Disagree	Strongly disagree
(i) Funding policy implementation controls are in place at NMMZ.					
(ii) Controls over funding policy are clearly defined as well as responsibility areas.					
(v) Funding programs are authorized by responsible personnel before they are implemented.					
(iv)National Budget issues have an impact on NMMZ funding policy.					
(vi)NMMZ has a decentralized organizational structure.					
(vii) Authoritative distributions of resources affect policy implementations.					
(viii) Social values have an impact on NMMZ funding policies.					

The company is facing the following challenges in funding policy program implementation.

	Strongly Agree	Agree	Uncertain	Disagree	Strongly disagree
(i) Resistance from some employees.					
(ii)Lack of resources for program implementation (e.g. financial, time and others).					
(iii) Poor managerial commitment on funding policy programs.					
(iv)Lack of qualified personnel.					
(v)Poor information network (dissemination).					
(vi) Legal requirements constrains in funding policies					

Any other (specify)…………………………………………………………………………………

Information relating to best possible ways of funding NMMZ.

	Strongly Agree	Agree	Uncertain	Disagree	Strongly disagree
(i)Adaptation of Activity based costing activities.					

(ii) Adaptation of Zero based budgeting.					
(iii)Outsourcing of funds.					
(iv) The company to opt for privatisation					
(v)Undertaking projects for increased revenue sources					
(vi)The company undergoing other lines of business besides those currently in place(diversification)					

Any   other (specify)………………………………………………………………………………

Thank you for your cooperation.