ACCOUNTABILITY AND FINANCIAL PERFORMANCE OF PUBLIC UNIVERSITIES IN UGANDA: A CASE STUDY OF BUSITEMA UNIVERSITY.

BY

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A DISSERTATION SUBMITTED TO THE COLLEGE OF ECONOMICS AND MANAGEMENT SCIENCE IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE BACHELORS' DEGREE IN BUSINESS ADMINISTRATION OF KAMPALA INTERNATIONAL UNIVERSITY.

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DECLARATION

I Ailigat Rose Okello hereby declare that this research study is purely my own and has never been submitted for the award of degree in any Institution.

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APPROVAL

This research work under the topic "accountability and financial performance of public Universities in Uganda, a case study of Busitema University," has been done under my supervision and is ready for submission.

Signature ....

30/6/2014.

Name: Dr Kinyatta Stanley

(Supervisor)

Date 30/06/2014

DEDICATION

I dedicate this research to my family brothers and sisters for their precious encouragement.

ACKNOWLEDGEMENT

Foremost, I would like to thank the Almighty God the creator for the gift of life.

Gratitude also go to my supervisor without whose time, direction and encouragement this work would not have been a success.

Thanks also go to all the lecturers who were instrumental in providing technical support.

Lastly, I wish to acknowledge the support extended to me by my all classmates, friends, sisters, and brothers throughout my study.

May God bless you all and thanks.

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ABSTRACT

This study was conducted in Tororo with specific reference to Busitema University and the study topic was: "Accountability and Financial performance of public Universities in Uganda."

The main objective of this study was to establish the relationship between accountability and financial performance of public Universities in Uganda, and how the government can ensure better, improved and effective performance of public Universities in Uganda.

The justification of this study was that a number of public universities in Uganda experience accountability problems due to poor controls and governance and these impacts negatively on the general institutional performance.

The study is therefore necessary today because there is need to improve accountability so as to improve upon the general performance of public universities in Uganda.

There was therefore need for a study to fill this knowledge gap by coming up with findings and recommendations to improve the status quo.

Analytical, explanatory and descriptive approaches were used together with randomization methods and purposive sampling as a non-randomization technique; as broad methodological approaches to this study's conceptualization and execution.

Data was be obtained by use of self-administered questionnaires and key informant interviews from primary sources while secondary data was be captured from various compendia with relevance to the study subject at hand. Triangulation of these approaches was aimed at yielding validity and reliability of data mass.

Data was be analyzed and correlated using correlation coefficient will be used to establish the relationship between Accountability and the financial performance of Public Universities in Uganda.

This study's findings entailed the following: from the perspective of the key informants that were purposively selected and the general respondent ship that were randomly selected, the effect of accountability on the financial performance of Busitema university was profiled and mapped as

follows: from the viewpoint of key informants: Proper accountability ensures improved financial performance (84%), Financial statements are measures of the organizational performance in relation to its financial structure (98.2%) and internal control system provides management with reasonable assurance that proper accountability will be ensured (100%).

Although these other occurrences and phenomena can't be wholly attributed to accountability, there is nevertheless other factors that affect financial performance such as ethical staff and budgeting.

CHAPTER ONE:

1.0 Introduction:

Accountability means being able to provide an explanation or justification, and accept responsibility, for events or transactions and for one's own actions in relation to these events or transactions. Accountability is an obligation to answer for the execution of one's assigned responsibilities. In simpler terms, accountability is reporting. People account, or report, to other people. Therefore, it is useful to consider accountability in context of the relationships between the people or organizations involved.

Accountability may be defined as a clearly identified employee obligation for the (authorized) conduct of a specified program task where performance is evaluated through the application of established criteria, (Knight, 2003).

1.1 Background to the study:

1.1.1 Historical Background:

The Government white paper on Education (1992) had, as one of its recommendations, the establishment of a public university in Eastern Uganda, to increase equitable access to University Education. In pursuance of that recommendation, a multi- campus university model, with the main campus at the former National College of Agricultural Mechanization, Busitema has been established by Act of parliament, and gazetted as a fully fledged public university under Statutory Instrument No. 22 of 2007. Busitema University is a multi campus model with the main campus located at Busitema, formally the National College of Agricultural Mechanization, along Jinja- Tororo highway, 25kms South West of Tororo Municipality.

Over the past few years, developing countries have been awakened on the importance of effective accountability of the public institutions in all sectors, and its subsequent contribution to improved performance and governance of the public sector. Poor accountability has been one of the major stumbling blocks to the economic development of Africa and it has been clear that a number of African countries have not paid adequate attention to the proper management of public resources. An efficient internal control system is vital to the advancement of African countries because it fosters effective accountability and is a concrete expression of the national commitment to making the best possible use of public resources.

Accountability in Ugandan Public Universities is a necessary condition for Private Sector Funding. Accountability in higher education refers to colleges and universities being held responsible for using their resources in an efficient and effective manner in order to produce the best education possible at the most reasonable cost (Knight, 2003).

According to Knight (2003), in many regards, accountability is a reaction to the traditional condition that the institutions of postsecondary education could not explain what exactly they did with the money they received during the past year. All they knew was that they needed more money the following year.

Such perceived responses are very difficult to understand for the business and professional people who constitute the higher education boards of trustees and university councils (in the case of Uganda). Such university council members or board of trustees tend to be accustomed to "bottom line" or profit-making environments and have difficulty understanding the lack of accountability measures in colleges and universities. The tendency, therefore, is to require that universities develop accountability measures.

1.1.2 Theoretical or Conceptual Background:

Accountability, "the extent to which one must answer to higher authority for one's actions" is a critical part of corporate and democratic life. In public institutions, sound accountability processes assure those in executive, governance, audit and 'elected official' roles that public resources are being honestly and effectively used for the purpose for which they were intended. Additionally, information available to a broader audience should demonstrate that public institutions are effectively and efficiently managed and successfully perform their mandated roles. Because it is central to the public's trust in their institutions, accountability continues to be a media, political and public policy issue, (Shafritz & Russell, 2000).

Accountability is a critical element of management of institutions administrators are expected to answer to their board for their performance. Professionals, public administrators and corporate leaders operate within operational and regulatory frameworks (organizational, professional, financial and legal) intended to make individuals and corporations answerable for their performance. These accountability processes are an important part of maintaining the public trust in society's institutions.

1.1.3 Contextual Background

Accountability can be described as "the extent to which one must answer to higher authority legal or organizational for one's actions in society at large or within one's particular organizational position." (Shafritz & Russell, 2000).

Accountability, particularly in the public sector, requires administrators to provide information and explanations about their actions and decisions to their stakeholders over and above what would normally be included in the audited financial statements. Performance measurement issues are addressed by a multitude of disciplines and respective literatures, including management accounting, management control, public finance, and production modeling from production economics and operational research. In the management accounting literature, private sector performance measurement frameworks developed in the last 20 years have sought to improve organizational accountability by linking strategy and performance to multiple-stakeholder perspectives. These frameworks have also incorporated both financial and nonfinancial measures related to an organization's production function.

University accountability, in particular, has become a concern of late due in part to several situations that have come to light, (Crane, 2003).

An increasing and ethical problem are recognized as symptoms of failing Corporate Governance and systems of accountability and control in publicly quoted firms, (Epstein ,2002).

Universities and other Tertiary Institutions in Uganda are governed by University and Other Tertiary Institutions Act 2001 and an amendment Act 2003. The Acts empower Universities to constitute governing boards; councils, appointments boards, senate and academic boards. The governing boards /University councils monitor and control performance of Universities and other Tertiary Institutions as stipulated by Act 2001and an amendment Act 2003. The creation of a board of Directors is to monitor the performance of the firm (Kosnik, 1987, 1990; American Law Institute, 1982).

It is, therefore predicted that if the Board performs its duties effectively and accountably, the value of the firm is predicted to increase and the wealth of shareholders would be enhanced accordingly.

1.2 Statement of the problem

Internal controls are ways and measures of imposing a check on the accuracy of the executive work. It is the work of the internal audit function to design, review, update and operate the effective internal control system of the organization.

Despite the senate's existence and efforts to create an effective system and or having good internal controls in place, public Universities still fail to account for their resources and Universities have continued to experience accountability as well as governance problems such as fees determination problems, payment schedules not respected, Student and staff unrest, staff welfare problems, legal action against councils, which could be attributed to corporate governance and institutional turbulence. Lack of proper accountability of the organization's resources may result into inability to achieve organizational objectives and this then impacts negatively to the institutional performance, (Howard F. Stettler, 2002).

If accountability remain unchecked, the Universities' financial performance may be crippled, hence, the basis of the study.

The study purpose therefore will aim at establishing whether there is a relationship between the two variables namely accountability and institutional performance, establishing how proper accountability could be used to ensure efficient institutional performance at Busitema University and other related public Universities.

1.3 Purpose of the study

The purpose of the study was to establish the relationship between accountability and financial performance of public Universities in Uganda, a case study of Busitema University.

1.4 Objectives of the study

1.4.1 To determine the benefits of accountability in a public education institution.

1.4.2 To find out performance measures in a public institution.

1.4.3 To establish the relationship between accountability and performance of a public university.

1.5 Objectives of the study

In order to achieve the said objectives the researcher will be guided by the following questions;

1.5.1 What are the benefits of accountability in public education institutions?

1.5.2 What are the performance measures in a public institution?

1.5.3 What is the relationship between accountability and performance of a public university?

1.6 Research hypothesis

The study will be guided by the following hypothesis:

(i) Accountability affects financial performance of an institution

(ii) Poor institutional performance is as a result of lack of proper accountability.

(iii) Proper accountability is as a result of effective internal control system.

(iv) Measuring the effective performance not taking into account other controllable variables, the researcher will establish whether there is a relationship between accountability and performance of a public university.

1.7 Justification of the study

It has been observed in Uganda, a number of public universities experience accountability problems due to poor corporate governance and these impacts negatively on the general institutional performance.

The study is therefore necessary today because there is need to improve accountability so as to improve upon the general performance of public universities in Uganda.

1.8 Scope of the study

1.8.1 Content/Subject Scope

The study investigated whether there is a relationship between accountability and financial performance at Busitema University. The study was be carried out by looking at the flow of various documents, authorization of operations and examining various records.

1.8.2 Geographical Scope

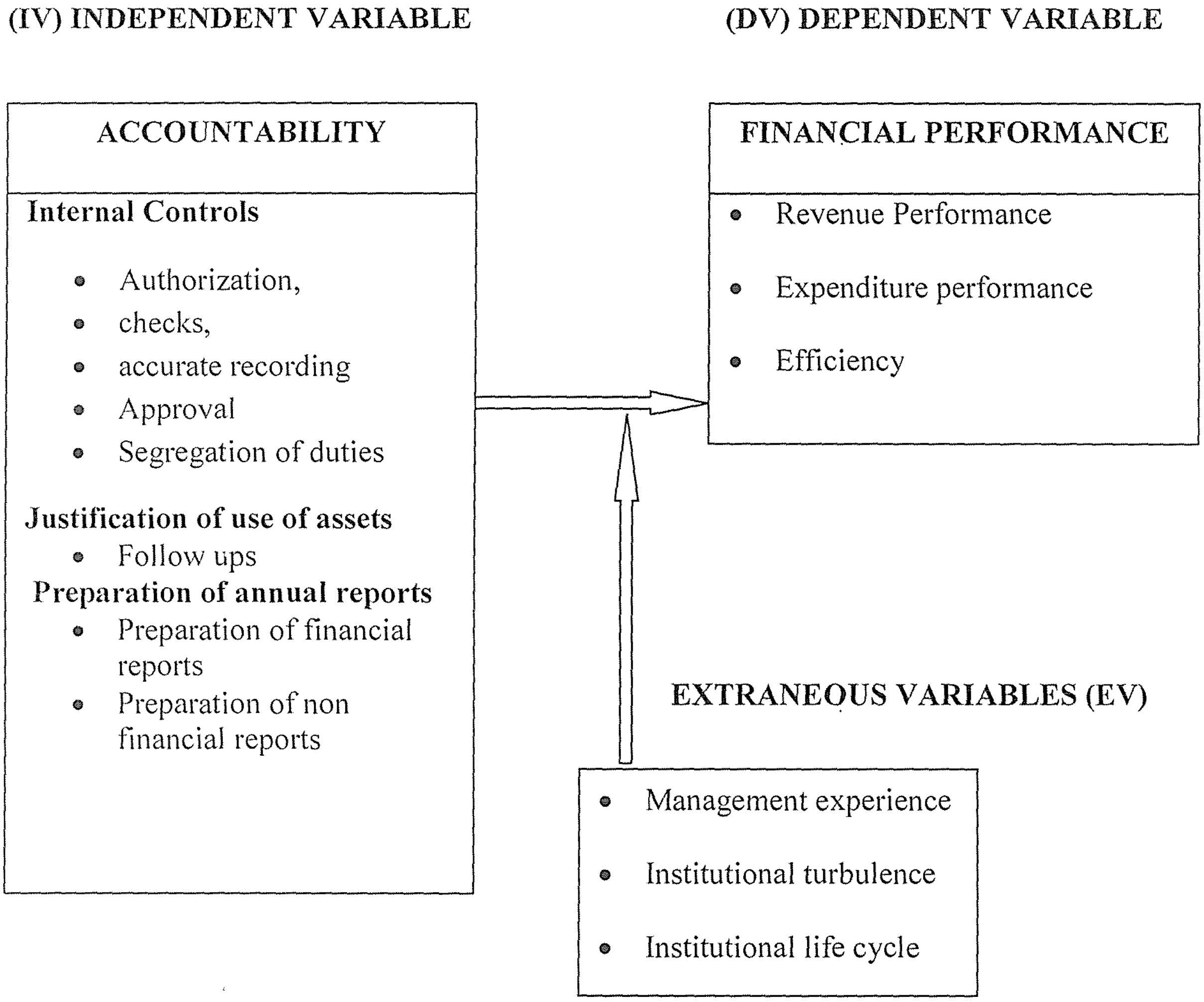
The study was carried out at Busitema University, formally the National College of Agricultural Mechanization, along Jinja- Tororo highway, 25kms South West of Tororo Municipality.

1.8.3 Time Scope

This study considered a period of three (5) years ranging between 2008 to 2013. This time period is relative enough to provide enough data in relation the study topic.

1.9 Conceptual framework

The study was guided by the following conceptual framework:



Source: A model on improved performance by Gavin & Geoffrey (2004) modified by the researcher.

The conceptual framework above details a model for the effects accountability, corporate governance on performance of a public university. Effective accountability and corporate governance enhances financial performance Gavin & Geoffrey, (2004). Through proper decision making, internal controls, corporate governance, effective accountability and preparation of reports, improved financial performance is fostered. This model helped the researcher and will as well help other readers of this research to understand the influence of accountability, corporate governance on performance of public universities.

1.9 Significance of the study

1.9.1 The results of the study should yield enough insight to enable the making of policy recommendations to stakeholders on how improve public university performance.

1.9.2 The information will also be useful to government in developing better strategies that can be used to improve corporate governance.

1.9.3 The study enhances on the existing body of knowledge.

1.9.4 The study helps stakeholders in capacity building of certified training in corporate governance.

1.9.5 It will also work as an encouragement to managers and other practitioners to use internal control techniques in order to ensure effective accountability in organizations.

1.9.6 The study will help other scholars and researchers to use the results of the findings as a reference tool in addressing matters in line with the subject matter.

1.9.7 The study is a requirement to enable the researcher attains a Bachelors' Degree in Business Administration of Kampala International University.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter will give a review of the major issues on the existing literature in the area of accountability, corporate governance and financial performance of public Universities.
It includes an over view of public university Performance Indicators and the relationship between accountability, governance and general performance.

2.1 Accountability

Accountability and management accounting have strong links, especially around performance reporting.
Many approaches, such as the balanced scorecard and Ramanathan's (1985) accountability framework, stem from management accounting research and practice. Accountability and performance measurement are linked inextricably; in fact, the interpretation of performance requires accountability as its reference.
This refers to provision of evidence by an individual or organization if it is to justify the use of specific resources. The need for proper accountability by stakeholders in matters regarding financial performance of the organization has led firms to rely on accounting and statistical reports (Meigs, 2000).

According to Langley (1998), Business accounting in the earlier days was primarily concerned with stewardship reporting to the owners about how their investments were being looked after. This means that the stewards were accountable to there owners.

Under the Company's Act (Cap 85) of the laws of Uganda, it is a statutory requirement for limited companies to prepare annual financial statements for publication to ensure accountability.

This is ensured through financial and non-financial reports.

According to Langley (1998), financial statements are measures of the organizational performance in relation to its financial structure. They include balance sheet, income statement, and statement of change in equity, cash flow statement and notes to the accounts.

For financial statements to give a true and fair view, they should be prepared in accordance to the regulatory framework of accounts (GAAP & The relevant Laws) Jain (1999).

Non-financial statements are statements other than financial statement issued to the stakeholders to ensure accountability and include Directors reports, Chairman's report, Auditor's report and any other report as it may be laid down in the articles of association of the organization.

2.2 Corporate governance

Corporate governance is referred to the manner in which the power of an organization is exercised in the stewardship of the Corporation's total portfolio of assets and resources with the objective of maintaining and increasing shareholders value with the satisfaction of other stakeholders in the context of its corporate mission (Private Sector Corporate Governance trust, (1999). The committee on the financial aspects of corporate governance (the Cadbury Committee), defines corporate governance as the system by which companies are directed and controlled. Corporate Governance is both about ensuring accountability of management in order to minimize downside risks to shareholders and about enabling management to exercise enterprise in order to enable shareholders to benefit from upside potential of firms Keasey and Wright, (1993), Tricker, (1984). Gedajlovic et al., (2004) extend an agency perspective on governance to suggest that particular blend of incentives, authority relations and norms of legitimacy in founder firms interacts with the external environment to affect the nature and pace of learning and capability development.

Zahra and Filatochev, (2004) argues that corporate governance systems and organizational learning are independent, and in some cases may substitute or complement each other. The decision making style of the board has been linked to corporate performance Pearce and Zahra, (1991). Prior research has investigated the immergence of corporate governance in developing economies in the context of corporate governance reforms, Rwegasira, (2000) has examined Africa.

Krambia and Psaros (2006), investigated the implementation of Corporate Governance principles in an emerging economy of Cyprus and the findings indicated only a minimal impact unless it is supported by other initiatives. Further noted that Cyprus was making serious endeavors to improve the corporate governance of its listed companies.

Solomon et al., (2000, 2003) argues that for developing countries to be internationally competitive and attract foreign capital they need to adopt "commonly accepted standards of corporate governance implies standards based on the Anglo-Saxon model. Rwegasira (2000) states that for the Anglo- Saxon model to be effective, company shares need to be owned by widely dispersed owners.

The Organisation of Economic Co-operation and Development (OECD), (2004) provides the most authoritative functional definition of corporate governance:

"Corporate governance is a system by which business corporations are directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among different participants in the corporation, such as the board, managers, shareholders and other stakeholders and spells out the rules and procedures for making decisions on corporate affairs. By doing this, it also provides the structure through which the company objectives are set and the means of attaining those objectives and monitoring performance.

Witherell ,(2004) noted that regional roundtables on corporate governance set up in partnership with the world Bank have allowed the OECD principles to become a widely accepted global benchmark that is adaptable to varying social, legal and economic contexts in individual countries.

Indeed the out come of a survey by Mckinsey in collaboration with the World Bank in June 2000 attested to the strong link between corporate governance and stakeholders confidence (Mark, 2000).

Corporate governance is important because it promotes good leadership within the corporate sector.

Corporate governance has the following attributes; leadership for accountability and transparency, leadership for efficiency, leadership for integrity and leadership that respects the rights of all stakeholders, Institute of Corporate Governance of Uganda, (2000). Lack of sound corporate governance has enabled bribery, acquaintance and corruption to flourish and has suppressed sound and sustainable economic decisions. Some key pillars (Private Sector Corporate Governance trust, (1999) on which good governance is framed include;

The institution must be governed with a framework which should provide an enabling environment within which its human resources can contribute and bring to bear their full creative powers towards finding solutions to shared problems.

Rossette,(2002) carried out the extent to which board composition affects team processes, (orientation, communication, feedbacks, coordination, leadership and monitoring), board effectiveness and performance of the selected financial institutions in Uganda.

Matama, (2005) used three basic tenets of Corporate governance; transparency, disclosure and trust in relation to commercial bank financial performance in Uganda which is a profit making organization.

Masibo, (2005) focused on the board structure and board process in relation to state owned corporations set for divestiture and those listed on Uganda securities exchange which are profit making.

In line Gavin and Geoffrey (2004), the current study focuses on board size, policy & decision making as indicators of Corporate Governance in relation to board roles, contingency, board effectiveness and financial performance of public Universities in Uganda.

The concept of accountability though not listed in the scope of the study the accountability concept cannot be overlooked when reviewing corporate governance literature. Accountability relationships occur in every sector of the society including the commercial sector (Wheelers, 2000). Where there is inadequate accountability resources will be used inefficiently and ineffectively; thus, inadequate accountability can result in devastating consequences for millions of people and compromising the operations of an organization (Kluver, 2001). Accountability is multifaceted and complex, at the heart of which is the notion of one party rendering an account of the use of resources to another party. Gray and Jenkins (1993) have the opinion that accountability is an obligation to present an account of and answer for the execution of responsibilities to those who entrusted those responsibilities, the principal/agent relationship Kluver, (2001). Accountability forms the basis of the trust in organizations, so when accountability relationships are undermined then our trust in organizations is damaged. While accountability might at first seem to be easily defined the reality is that it is a complex multifaceted concept. Much of the earlier researches focused on accountability as measure of corporate governance, this study is focused on board size, policy and decision making.

2.2.1 Policy and decision making

The final function that a board needs to consider is its duty with respect to delegating authority. Given the complexity of the business environment, it is impossible for the board to be the sole decision making body in the company. Instead, each board needs to work on developing an appropriate method and level of delegation of authority. Obviously this will again vary with the context facing the board but, in all circumstances, the board needs to clearly articulate and document the delegations it makes Gavin and Geoffrey, (2004).

2.3 Financial performance

Measuring firm performance using accounting ratios is common in the Corporate Governance literature Demaetz and Lehn, (2000), in particular, return on capital employed, return on assets, and return on equity. Similarly, economic value added can be as an alternative to purely accounting- based methods to determine shareholder value by evaluating the profitability of a firm after the total cost of capital, both debt and equity are taken into account (Copeland et al, 1995). Other measures of financial performance in profit making organizations are Capital adequacy, Asset quality, Management, Earnings and Liquidity which are commonly known as CAMEL Model.

The current study on Public Universities as non profit making organizations will measure Financial Performance in terms of Actual revenue/budgeted revenue ratio (Revenue Collection Ratio), Actual Expenditure/budgeted expenditure ratio (Expenditure Ratio) and Actual revenue/ actual expenditure (Efficiency -Value for money ratio).

2.4 Control procedures and effectiveness of internal controls

These are policies and procedures in addition to the control environment, which are established to achieve the entity's specific objectives (Wolf 2001).

According to Meigs (2000), some of the objective of the accounting system would include, proper authorization, timely and accurate recording of transaction in the books of the specified period.

Jain (1999) refers to the specific control procedures to include;

Approval and control of documents, Maintenance of reconciliation to check on any deviations, Limiting direct access to assets. Checking the arithmetical accuracy of transactions, Segregation of duties, Controls in-electronic data interchange.

It was further emphasized that paperless electronic data interchange requires auditors to use proper audit procedures to ascertain the adequacy and effectiveness of their client's internal control (Wolf, 2001).

David Brewer, (2004) asserts that, a risk materializes on the occurrence of an event, the consequences of the event being the damage caused by the adverse impact (and recovery from that impact). There are three classes of controls:

Preventive - which seek to ensure the impact never materializes. This type of control either prevents the event from occurring or affecting the organization, or detects the event as it happens and prevents any further activity that may lead to an impact.

Detective - which identify when some event, or events have occurred that could lead to a materialization of the impact, and invoke appropriate actions to arrest (or mitigate) the situation.
Reactive - which identify the impact has occurred and invoke appropriate actions to recover (or mitigate) the situation.

2.5 Relationship between internal control and accountability

According to Ramaswamy (1994), the objectives of internal control include complete accountability for all assets, use and access towards assets are made only with proper authorization and there is periodic verification and comparison of assets in existence with accounting records and appropriate action is taken in case of any variances.

For management to ensure reliability of financial statements and effective accountability in all it's functional areas, internal controls are expected to provide policies and procedures to assist management in achieving their objectives of ensuring as far as practicable, orderly and efficient conduct of the business (Lucy, 2004).

According to Langley 1998, the important related functions of auditing and certifying the accounts is essential if there is to be public confidence in the fairness and accuracy of accounting reports. To ensure accuracy of transactions the auditor tests the strength of the internal control system and its reliability.

The strength of the internal control system therefore provides management and auditors with reasonable assurance that proper accountability will be ensured.

The internal control procedures performed are also designed to ensure proper accountability. The approval and control of documents, periodic reconciliation, checking the arithmetic accuracy of transactions and limiting direct access to assets are all aimed at ensuring accountability (Jain, 1999).

However still with ineffective control measures in the organization employees fail to account for the organizational resources. This is due to abuse of controls by those persons responsible for implementing them.

In some organizations they aim at ensuring accountability but the inappropriate controls employed to lead management to making decisions based on inaccurate data which in turn leads to management failure. This can give the poor image to business even when all forms of accountability are put in place. Therefore, if management is to ensure accountability, there must be stringent internal controls to prevent decision-making basing on the inappropriate data.

2.6 Relationship between Accountability and financial performance

Accountability and management accounting have strong links, especially around performance of an institution.

According to Ramanathan (1985), accountability framework stems from management accounting research and practice. He adds that accountability and performance measurement are linked inextricably; in fact, the interpretation of performance requires accountability as its reference.

The need for proper accountability by stakeholders in matters regarding financial performance of the organization has led firms to rely on accounting and statistical reports (Meigs, 2000).

According to Langley (1998), Business accounting in the earlier days was primarily concerned with stewardship reporting to the owners about how their investments were being looked after. Under the Company's Act (Cap 85) of the laws of Uganda, it is a statutory requirement for limited companies to prepare annual financial statements for publication to ensure accountability. He adds that financial statements are measures of the organizational performance in relation to its financial structure.

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter investigated the description of the research design and methods that was used to collect both primary and secondary data. The chapter includes sampling design, sample size, research methods and instruments, data collection procedures and data analysis.

3.1 Research Design

This study employed both explanatory and descriptive cross-sectional survey design. An explanatory design essentially "finds out the relationship between independent and dependent variables. While a case-study approach critically analyses a particular geographical area as a unit of study (Amin, 2005).

According to Meyer (1999), the cross-sectional design aids the researcher in the collection of first hand data from a sizable number of respondents within a short time. This is considered suitable since the data pertaining to the themes have to be collected from a larger number of respondents.

3.2 Target Population

Population is the totality of things studied with one or more common characteristics according to Enron (1998). The accessible or target population comprises of 296 people of different categories knowledgeable and involved in ensuring accountability and financial performance at Busitema University. The study concentrated on the following departments: Vice chancellors' department (78 people), University Secretary department (78 people), Library & academic affairs department (20 people), Dean of students department (11 people) and faculty of engineering (109 people).

3.3 Sampling Procedure

A blend of sampling designs including probabilistic and purposive sampling designs was used in the study so as to solicit adequate data, minimize bias and give equal chances while selecting respondents from the study population.

The sample consisted of 56 respondents from Busitema University population of 296 people depending on their role, departments and positions. The sample size was determined using Krejcie and Morgan (1970) table as presented in Sekaran (2003). However, judgmental/ purposive sampling was used, to select key respondents, such as the University chancellor, Dean of students and University Secretary that have vital information relevant to the study which might otherwise be left out using probabilistic sampling.

The sample size will therefore include 56 respondents comprised of 10 administrators, 30 Managerial staff, 10 lecturers and 6 members from board of directors, so as to get first hand information.

Table 1: Study Population and sample size

Category	Target Population	Sample size	Sampling Strategy Used
Administrators	78	10	Purposive selection
Managerial staff	78	30	Purposive selection
Lecturers	129	10	Random selection
Members from board of directors	11	6	Purposive selection
Total	**296**	**56**	

3.4 Data Collection

The researcher employed both primary and secondary data, and employed various techniques of data collection that include questionnaires, interview and observation as described by Meyer, (1999).

3.4.1 Primary Data

This was be collected from the University to help ascertain the institutional performance and accountability level. This is the fresh data and it was collected from the field by use of self administered questionnaires and interview methods.

3.4.2 Secondary Data.

Secondary data included literature on the accountability, governance and institutional performance. This was to supplement primary data and was collected from judiciary records, libraries and internet.

3.5 Techniques of data collection

3.5.1 Questionnaires

Open and closed-ended questionnaires like those described by Meyer (1999) were used to enable the researcher capture all relevant information. This techniques was considered relevant because of the following;-

Respondents can answer questions during their convenient time.

Sensitive or personal questions are easily answered, as respondents feel free to give answers. Its time saving, Directors are proud people for confidentiality.

3.5.2 Face to face Interviews

Self-administered interview was also used with the help of an interview guide as described by Meyer (1999). This was considered relevant because the questions that are not clear were repeated and clarified.

The interviewer may come across new ideas that require follow up.

3.5.3 Observation

Observation method of data collection was used by a researcher so to get a feel of the facial expressions and the working methods of court processes.

3.6 Data Analysis

The researcher I carefully got familiar with the data collected. The questionnaires were edited carefully in respect to study objectives so as to ease analysis. With the help of a research assistant, the data was coded and grouped according to its respective categories. Then finally with the help of SPSS, data was interpreted using tables and percentages. This was deductive in nature and correlation coefficient was used to clearly show the relationship between the study variables.

3.7 Limitations

Several limitations were encountered but measures were put in place to mitigate their effect on the quality of findings .The following were some of the limitations and how they were mitigated.

3.7.1 in-adequate time

There was a lot to be done by the researcher within a limited time available .however, to overcome this limitation, time was properly managed and sufficient data was collected , analyzed and presented in this study.

3.7.2 Financial Resources.

The researcher found some difficulty in terms of inadequate funds i.e.in terms of transport, meals, analysis of data by a statistician and motivation of some respondents. But this was overcome through the special fund that the researcher had put aside for this exercise which had been incorporated into the budget besides minimizing costs as much as possible and self-administering questions.

3.7.3 Negative attitude of respondents

Although the researcher clearly explained the purpose of the study to the respondents, some of management staff found that it was disguising to find out how they had been inefficiently monitoring accountability and leading to Mismanagement, poor financial performance and so on. However, this overcome by first assuring the respondents that results were purely for academic purposes and any information provided was to be treated utmost confidentiality.

3.7.4 Slow and non-responses of respondents.

Some respondents took too long to fill the questionnaires either due to heavy workloads or absence to attend to some other issues .This was overcome by persistent follow up and appointments for example through telephone calls and emails as a result out of 56 sampled respondents filled in and returned their forms. The researcher wishes to conclude that although the above limitations have a tendency to slow down the pace at which the study was conducted, they did not impair the quality of the findings because appropriate mitigation measures were taken care of.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 Introduction

The chapter presents the findings of the study, the analysis and interpretation of the research obtained. The findings are based on both Quantitative and Qualitative data. The primary data is supplemented by the secondary data collected through review of the documents for Busitema University. Then main findings are organized along the objectives of the study.

The correlation technique is used to determine the present and interpret the degree of the of the relationship between the independent and dependent variables and the regression analysis is used to present and interpret the extent to which the independent variable explains the dependent variable. Test of the hypothesis was carried out to indicate the significance of the findings. The qualitative data is then analyzed and interpreted along the study objectives.

4.1 Response rate

Sample of 56 was used and therefore the response rate was 100%. This was considered a very satisfactory response rate according to saunders, lewis & Thornhill (2007) who reveals that a response rate of 50% is adequate for manually collected quantitative data.

4.2 Demographic Information of Respondents

The respondents comprised of people form Vice chancellors' department, University Secretary department, Library & academic affairs department, Dean of students department and faculty of engineering.

The researcher obtained information on the background for authenticity of the respondents. The demographic information included; the Gender, the age, Level of Education and the Job.

4.2.1 Gender of Respondents

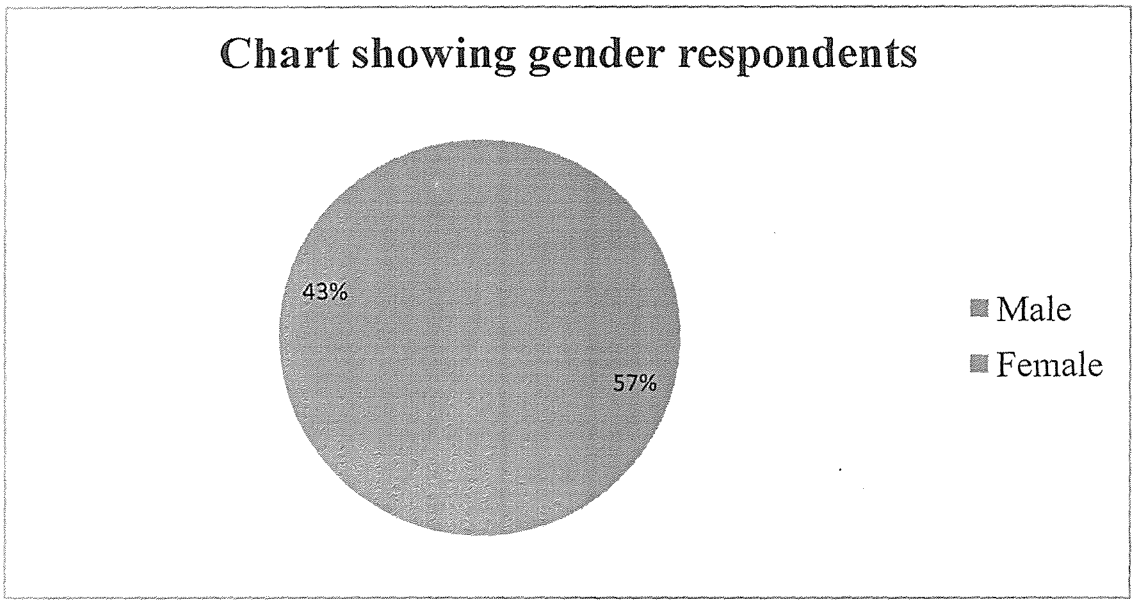
Gender balance has increasingly become a sensitive issue at all levels of service delivery thus both Female and Male respondents participated in the study an their distribution is summarized below;

Table 2: Gender of Respondents

		Frequency	Percent	Valid Percent
Valid	Male	32	57.1	57.1
	Female	24	42.9	42.9
	Total	**56**	**100.0**	**100.0**

Source: Primary Source

Figure 1: Showing gender respondents



Source: Primary data

From table 1, the majority of the respondents were male with 57% and female with 43%. This study indicates that the construction industry is dominated by Males however; Gender equality is at a rise seeing now women taking lead in manning and managing departments at Busitema University. Therefore the performance of the University can be accounted for by the affirmative action that has seen increased participation of females since the institutional establishment.

4.2.2 Age group respondents

The majority of the respondents were in the age groups of 41-50 **years** (50%) and 31-40 years with 44.6%. These were project managers, consultants, contractors and station engineers who handle projects. The researcher considered the age of the respondents to ensure reliability of information.

:**Table 3 showing age stratification**

Age	Frequency	percentage
26-30	5	3.6
31-40	25	44.6
41-50	29	50
Total	**56**	**100**

Source: Primary data

The results indicate that all the respondents were above 26 years of age and the majority aged between 41-50 years of age. Therefore since the majority was aged between 41-50 years of age, it implies that the respondents were old enough to provide credible and reliable information about how the accountability affects financial performance of public universities in Uganda.

4.2.3 Highest level of Education

The positions targeted were the Vice chancellor, University Secretary, Administrators, Dean of students and other managerial staff with knowledge and experience in the subject matter.

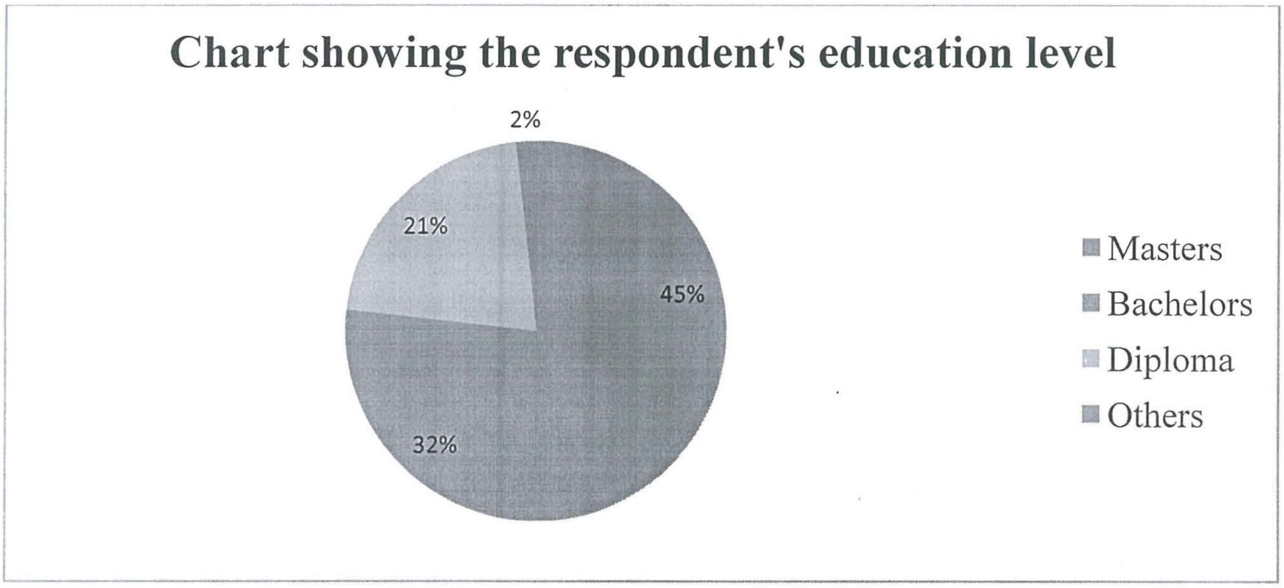
Table 4: Showing the respondent's level of education

		Frequency	Percent	Valid Percent
Valid	Masters	25	44.6	44.6
	Bachelors	18	32.1	32.1
	Diploma	12	21.4	21.4
	Others	1	1.8	1.8
	Total	**56**	**100.0**	**100.0**

Source: Primary Data

Table 3 above show that the majority of the respondents 76.7(n=43) had obtained at least a bachelor degree and above, the least respondents 23.3 (n=13) had diplomas and below, meaning that the respondent were able to read and write therefore answer the questionnaire and its implication is that the respondents understand how proper accountability contributes to the better financial performance.

Figure: 2 showing the respondent's education level



Source: Primary Data

4.2.4 Current Position of Respondents

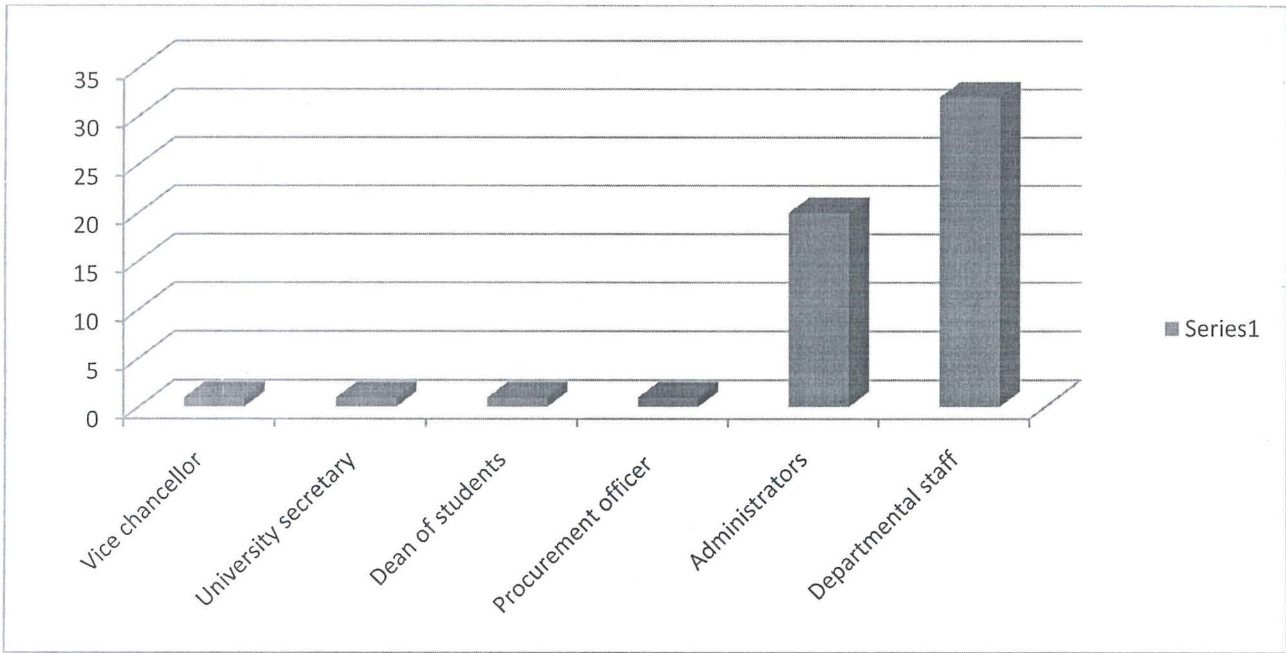
Table 5: Showing the respondent's level of education

		Frequency	Percent	Valid Percent
Valid	Vice chancellor	1	1.79	1.79
	University secretary	1	1.79	1.79
	Dean of students	1	1.79	1.79
	Procurement officer	1	1.79	1.79
	Administrators	20	35.7	35.7
	Departmental staff	32	57.1	57.1
	Total	**56**	**100.0**	**100.0**

Source: Primary Data

Table 4 shows that the majority of the respondents comprised of Departmental staff and administrators with 32(57.1%) and 20(35.7%) respectively, while the other comprised of senior vice chancellor 1(1.79%), University secretary 1(1.79%), Procurement officer 1(1.79%), and dean of students 1(1.79%).

Figure 3: showing the respondent's level of education



4.3 Objective One:

To determine the benefits of accountability in a public education institution.

The research concentrated on key benefits of accountability in public universities. There is inadequate accountability resources will be used inefficiently and ineffectively; thus, inadequate accountability can result in devastating consequences for millions of people and compromising the operations of an organization. This is in support with the works of Kluver, (2001). Accountability is at the heart of which is the notion of one party rendering an account of the use of resources to another party.

Accountability presents an account of and answer for the execution of responsibilities to those who entrusted those responsibilities and forms the basis of the trust in organizations, so when accountability relationships are undermined then our trust in organizations is damaged.

Below is the summary of the descriptive statistics of the respondents' opinion as analyzed above;

Table 6 : Showing the benefits of accountability in a public education institution

:ements on benefits of accountability	Percentage Response (%)					Mean	Std Dev
	SA	A	DN	D	SD		
:ountability ensures that resources will be used ciently	50 (28)	37.5 (21)	8.9 (5)	3.6 (2)	0 (0)	**4.33**	**0.792**
:ountability is the notion of one party rendering account of the use of resources to another party	64.3 (36)	30.4 (17)	1.8 (1)	3.6 (2)	0 (0)	**4.55**	**0.711**
countability presents an account of and answer the execution of responsibilities to those who rusted those responsibilities	58.9 (33)	39.3 (22)	0 (0)	1.8 (1)	0 (0)	**4.55**	**0.600**
countability forms the basis of the trust in anizations	53.6 (30)	42.9 (24)	0 (0)	1.8 (1)	1.8 (1)	**4.44**	**0.760**
ien accountability relationships are undermined n our trust in organizations is damaged	46.4 (26)	50 (28)	1.8 (1)	1.8 (1)	0 (0)	**4.37**	**0.752**

Source: Primary Data

SA=Strongly Agree **A**=Agree **DN**=Don't Know **D**=Disagree **SD**=Strongly Disagreed **Std Dev**=Standard Deviation

If standard deviation is less than 1 then this means that there are commonalities in the responses. On the other hand, if standard deviation is greater than 1 then this means that responses are divergent.

Then if the mean is less than 3, this shows disagreement of the results and on the other hand if the mean is greater than 3 then this shows agreement.

Table 4 above shows that, 87.5%, the majority of the respondents agree that Accountability ensures that resources will be used efficiently with a mean of 4.33 and a standard deviation of 0.990. According to the documentary review in the Accountability and the internal Audit query for 2011/2012, the improved performance plans for the financial year 2010/2011 and 2011/12 indicates that inadequate accountability results into inefficient use of organizational resources resulting into poor financial performance. In addition, 94.7% are in agreement that accountability is the notion of one party rendering an account of the use of resources to another party. Additionally; 76.5% are in agreement that accountability presents an account of and answer for the execution of responsibilities to those who entrusted those responsibilities.

4.4 Objective Two:

To find out performance measures in a public institution.

The researcher considered various factors that may be used to measure financial performance and these include; accounting ratios (such as return on capital employed, return on assets, and return on equity. Similarly, economic value added can be as an alternative to purely accounting-based methods to determine shareholder value by evaluating the profitability of a firm after the total cost of capital, both debt and equity are taken into account), Capital adequacy, Asset quality, Management, Earnings and Liquidity which are commonly known as CAMEL Model.

The current study on Public Universities as non profit making organizations will measure Financial Performance in terms of Actual revenue/budgeted revenue ratio (Revenue Collection Ratio), Actual Expenditure/budgeted expenditure ratio (Expenditure Ratio) and Actual revenue/

actual expenditure (Efficiency -Value for money ratio). All these are measures of financial performance in an institution.

Table 7 : Showing performance measures in a public institution

SN	Statements on measures of performance	Percentage Response (%)					Mean	Std Dev
		SA	A	DN	D	SD		
1	Public Universities as non profit making organizations will measure Financial Performance in terms of Actual revenue/budgeted revenue ratio	37.5 (21)	41.1 (23)	0 (0)	12.5 (7)	0 (0)	**4.03**	**.990**
2	Accounting ratios are used to measure financial performance	42.9 (24)	55.4 (31)	1 (1.8)	0 (0)	0 (0)	**4.41**	**.531**
3	Public Universities will measure Financial Performance in terms of Actual Expenditure/budgeted expenditure ratio (Expenditure Ratio) and Actual revenue/ actual expenditure (Efficiency -Value for money ratio).	33.9 (19)	60.7 (34)	1.8 (1)	1.8 (1)	1.8 (1)	**4.23**	**.738**
4	Public Universities will measure Financial Performance in terms of Actual revenue/ actual expenditure (Efficiency-Value for money ratio).	42.9 (24)	37.1 (32)	0 (0)	0 (0)	0 (0)	**4.42**	**.499**
5	Other measures of financial performance in profit making organizations are Capital adequacy, Asset quality, Management, Earnings and Liquidity.	67.9 (38)	32.1 (18)	0 (0)	0 (0)	0 (0)	**4.67**	**0.471**
6	Effectiveness of internal controls foster financial performance	42.9 (24)	48.2 (27)	0 (0)	5.4 (3)	3.6 (2)	**4.64**	**0.966**

Source: Primary Data

SA=Strongly Agree **A**=Agree **DN**=Don't Know **D**=Disagree **SD**=Strongly Disagreed **Std Dev**=Standard Deviation

If standard deviation is less than 1 then this means that there are commonalities in the responses. On the other hand, if standard deviation is greater than 1 then this means that responses are divergent.

Then if the mean is less than 3, this shows disagreement of the results and on the other hand if the mean is greater than 3 then this shows agreement.

According to table 6, the mean response on measure Financial Performance in terms of Actual revenue/budgeted revenue ratio was 4.03 and the standard deviation was .990. This means that the majority's opinion is in agreement that accounting ratios are used to measure financial performance of an institution. The mean response on Accounting ratios being used to measure financial performance was 4.41 and the standard deviation of .531. This implies that 98.3% respondents are in agreement. The mean response on Public Universities measuring Financial Performance in terms of Actual Expenditure/budgeted expenditure ratio was 4.23 and the standard deviation was .738. This indicates that almost all the respondents were in agreement.

In addition the mean response on effectiveness of internal controls fostering financial performance was 4.64 and standard deviation was 0.966. This implies that the majority of the respondents were in agreement.

4.5 Objective Three:

To establish the relationship between accountability and financial performance of a public university.

The researcher used 7 items to enlist the respondents' opinion on how the procurement control affects the road construction projects. The table summarizes the descriptive respondents as below;

Table 8: Showing the relationship between accountability and financial performance of a public university.

	Statements on the relationship between accountability and financial performance	Percentage Response (%)					Mean	Std Dev
		SA	A	DN	D	SD		
1	Controls either prevent the event from occurring or affecting the organization, or detect the event as it happens and prevents any further activity that may lead to an impact.	58.9 (33)	30.4 (17)	3.6 (2)	7.1 (4)	0 (0)	**4.41**	**0.86**
2	Control procedures to include; Approval and control of documents, Maintenance of reconciliation to check on any deviations, Limiting direct access to assets. Checking the arithmetical accuracy of transactions, Segregation of duties, Controls in-electronic data interchange.	50 (28)	48.2 (27)	1.8 (1)	0 (0)	0 (0)	**4.48**	**0.539**
3	Proper accountability ensures improved financial performance	30.4 (17)	53.6 (30)	10.7 (6)	3.6 (2)	1.8 (1)	**4.07**	**0.849**
4	Internal controls are expected to provide policies and procedures to assist management in achieving their objectives of ensuring as far as practicable, orderly and efficient conduct of the business	19.6 (11)	39.3 (22)	17.9 (10)	16.1 (9)	7.1 (4)	**3.48**	**1.19**
5	internal control system provides management with reasonable assurance that proper accountability will be ensured	67.9 (38)	32.1 (18)	0 (0)	0 (0)	0 (0)	**4.67**	**0.471**
6	performance requires accountability as its reference	50 (28)	44.6 (25)	3.6 (2)	1.8 (1)	0 (0)	**4.42**	**0.65**
7	Financial statements are measures of the organizational performance in relation to its financial structure.	44.6 (25)	53.6 (30)	1.8 (1)	0 (0)	0 (0)	**4.42**	**0.534**

Source: Primary Data

SA=Strongly Agree **A**=Agree **DN**=Don't Know **D**=Disagree **SD**=Strongly Disagreed **Std Dev**=Standard Deviation

If standard deviation is less than 1 then this means that there are commonalities in the responses. On the other hand, if standard deviation is greater than 1 then this means that responses are divergent.

Then if the mean is less than 3, this shows disagreement of the results and on the other hand if the mean is greater than 3 then this shows agreement.

According to the table above, the respondents are in agreement that, internal control system provides management with reasonable assurance that proper accountability will be ensured (100%), Controls either prevent the event from occurring or affecting the organization, or detect the event as it happens and prevents any further activity that may lead to an impact, (89%), Control procedures to include; Approval and control of documents, Maintenance of reconciliation to check on any deviations, Limiting direct access to assets. Checking the arithmetical accuracy of transactions, Segregation of duties, Controls in-electronic data interchange by (98%) and Proper accountability ensures improved financial performance (84%). The mean response that Internal controls are expected to provide policies and procedures to assist management in achieving their objectives of ensuring as far as practicable, orderly and efficient conduct of the business (59%) with mean 3.48 and standard deviation of 1.19. This implies that the majority were in agreement. In this line, the mean response on financial statements being a measure of the organizational performance in relation to its financial structure, respondents were in agreement by the mean of 4.42 and the standard deviation of 0.65.

Table 9 : Showing how Correlation Coefficient

Correlations			
		Accountability	Financial performance
Accountability	Pearson Correlation	1	.686**
	Sig. (2-tailed)		.000
	N	56	56
Financial performance	Pearson Correlation	.686**	1
	Sig. (2-tailed)	.000	
	N	56	56
**. Correlation is significant at the 0.05 level (2-tailed).			

Pearson's correlation coefficient of 0.686 shows that there is a positive linkage between accountability and financial performance.

4.8 Hypothesis

Through the regression analysis the four hypothesis of this study were tested to determine weather they were correct or not. Therefore H0=Null: Accountability impacts on financial performance. H1=Alternate: Accountability does not impact on financial performance.

At the significant level of 95% the overall results are significant, the mean is greater than 3 and standard deviation is less than 1 for all the variables which shows concurement with the null hypothesis. Therefore accountability impacts on financial performance.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0 INTRODUCTION

This chapter reviews the research questions that evolved from research objectives and provides a summary of the findings, limitations and areas for further research, conclusions, and recommendations on answers to those research questions. The purpose of the study was to to establish the relationship between accountability and financial performance of public Universities in Uganda with specific emphasis on Busitema University. The study was guided by the two variables; the independent variable (accountability) and the dependent variable (Financial performance) while Management experience, Institutional turbulence and Institutional life cycle are hypothesized by the Moderating variables. The study focused on an accessisble population of 296 people that were obtained purposively to represent the target involved in the monitoring of its financial performance. A sample size of 56 was drawn from the accessible population using Krejcie and Morgan (1970) table as presented in Sekaran (2003). The sample comprised of the Staff from Busitema University. Both Qualitative and Quantitive data collection techniques were used.

The data collection was edited and coded to ensure that it was accurate and consistent. The quantitative data was analyzed systematically to ensure useful conclusions using descriptive statistics by the use of SPSS for windows. The findings of the descriptive statistics were presented using frequency tables, bar charts and pie charts.

The study also used correlation analysis to establish the magnitude and direction of the relationship the dimensions of the independent variables, and dependent variables.

5.1 SUMMARY OF FINDINGS

5.1.1 How accountability benefits public education institutions.

Accountability presents an account of and answer for the execution of responsibilities to those who entrusted those responsibilities. Accountability is the notion of one party rendering an account of the use of resources to another party. Accountability ensures that resources will be used efficiently.

The study reveals that 87.5%, the majority of the respondents agree that Accountability ensures that resources will be used efficiently, 94.7% are in agreement that accountability is the notion of one party rendering an account of the use of resources to another party and 76.5% are in agreement that accountability presents an account of and answer for the execution of responsibilities to those who entrusted those responsibilities.

This is in agreement with the works of Langley (1998), who asserts that business accounting in the earlier days was primarily concerned with stewardship reporting to the owners about how their investments were being looked after. This means that the stewards were accountable to there owners.

5.1.2 Measures of financial performance in an institution

The study findings reveal that Financial Performance is measured in terms of accounting or financial ratios (Actual revenue/budgeted revenue ratio) with 98.3% of the respondents in agreement.

This is in agreement with the literature of Demaetz and Lehn, (2000), who points out ratios such as return on capital employed, return on assets, and return on equity as measures of financial performance. Similarly, economic value added can be as an alternative to purely accounting-based methods to determine shareholder value by evaluating the profitability of a firm after the total cost of capital, both debt and equity are taken into account (Copeland et al, 1995). He adds that organizations will measure Financial Performance in terms of Actual revenue/budgeted revenue ratio (Revenue Collection Ratio), Actual Expenditure/budgeted expenditure ratio (Expenditure Ratio) and Actual revenue/ actual expenditure (Efficiency -Value for money ratio).

5.1.3 Relationship between Accountability and financial performance

The findings show that most of the respondents are in agreement that, Controls either prevent the event from occurring or affecting the organization, or detect the event as it happens and prevents any further activity that may lead to an impact, (89%), Control procedures to include; Approval and control of documents, Maintenance of reconciliation to check on any deviations, Limiting direct access to assets and checking the arithmetical accuracy of transactions, Segregation of duties, and Proper accountability ensures improved financial performance (84%).

Additionally, the response also show that Internal controls are expected to provide policies and procedures to assist management in achieving their objectives of ensuring as far as practicable, orderly and efficient conduct of the business (59%).

The findings of the study are also in agreement with the literature that accountability and management accounting have strong links, especially around performance of an institution. According to Ramanathan (1985), accountability framework stems from management accounting research and practice. He also adds that accountability and performance measurement are linked inextricably; in fact, the interpretation of performance requires accountability as its reference. The need for proper accountability by stakeholders in matters regarding financial performance of the organization has led firms to rely on accounting and statistical reports (Meigs, 2000).

According to Langley (1998), companies to prepare annual financial statements for publication to ensure accountability and theses financial statements are measures of the organizational performance in relation to its financial structure.

5.2 CONCLUSION

5.2.1 Benefits of accountability public institutions.

Accountability presents an account of and answer for the execution of responsibilities to those who entrusted those responsibilities, renders an account of the use of resources to another party and ensures that resources will be used efficiently by reporting to the owners about how their investments were being looked after.

5.2.2 Measures of financial performance in an institution

Financial Performance is measured in terms of Actual revenue/budgeted revenue ratio, Actual Expenditure/budgeted expenditure ratio (Expenditure Ratio) and Actual revenue/ actual expenditure (Efficiency -Value for money ratio). Financial Performance can also be measured by use of accounting or financial ratios such as return on capital employed, return on assets, and return on equity as measures of financial performance. Similarly, economic value added can be as an alternative to purely accounting- based methods to determine shareholder value by evaluating the profitability of a firm after the total cost of capital, both debt and equity are taken into account.

5.2.3 Relationship between Accountability and financial performance

Accountability and management accounting have strong links, especially around performance of an institution in that proper accountability ensures improved financial performance.

Accountability framework stems from management accounting research and practice and accountability and performance measurement are linked inextricably; in fact, the interpretation of performance requires accountability as its reference.

The need for proper accountability by stakeholders in matters regarding financial performance of the organization has led firms to rely on accounting and financial reports or statements.

Institutions have to prepare annual financial statements for publication to ensure accountability and theses financial statements are measures of the organizational performance in relation to its financial structure.

5.3 RECOMMENDATIONS

The findings of this study may provide administrators and other stakeholders with an insight into how to improve the institutional financial performance.

5.3.1 Benefits of accountability public institutions.

There should controls to ensure that proper accountability is done to ensure that people answer for the execution of responsibilities to those who entrusted those responsibilities, renders an account of the use of resources to another party and ensures that resources will be used efficiently by reporting to the owners about how their investments were being looked after.

5.3.2 Measures of financial performance in an institution

Financial Performance should be monitored and an institution should employ various financial or accounting measures such as return on capital employed, return on assets, and return on equity in the measurement of financial performance.

5.2.3 Relationship between Accountability and financial performance

Accountability and performance measurement are linked inextricably; in fact, the interpretation of performance requires accountability as its reference. Accountability and management accounting have strong links, especially around performance of an institution in that proper accountability ensures improved financial performance.

5.4 AREAS FOR FURTHER RESEARCH

The study identified three areas that need further research and these include: Budgeting & planning; since planning serve as an important mechanism for extracting, distributing and allocating resources when planning is properly conceived and implemented, but, despite the fact that planning is the foundation and significant for all management fields including accounting and finance, it does not clearly explain how it affects Financial performance. Therefore to fully close this gap, further research should be conducted along the same line.

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APPENDICES

APPENDIX I

RESEARCH INSTRUMENTS

A. Questionnaires:

Dear respondent, I am a Student at KIU undertaking a study on financial accountability and the performance of public universities in Uganda: A case study of Busitema University. The study is in partial fulfilment of the requirements for the award of a Masters Degree in Business Administration.

I kindly request you to answer the questions sincerely and accurately. The information will only be used for academic purposes and will be treated with maximum confidentiality. Thank you for your kind cooperation

Yours faithfully,

Section A: Background Information

Please tick or circle appropriately

Position

1. Chancellor
2. Director
3. Dean
4. Registrar
5. Lecturer
6. Staff member

Gender

1. Male
2. Female

Age

26 – 30 years ....

31 – 40 years ....

41 – 50 years ....

Level of Education

1. Diploma
2. Bachelor's Degree
3. Post Graduate Diploma
4. Masters
5. PhD
6. Any Other.........

Length of Service

1. Less than 1 year
2. 1-5 years
3. More than 5 years

SECTION B: CORPORATE GOVERNANCE

The following statements are designed to understand your opinion on the extent to which Busitema University embraces corporate governance. The scale used for these statements should be viewed as a continuum with 1=strongly disagree, 2= disagree, 3=not sure, 4=agree, 5=strongly agree.

	Statement	SA	A	N	D	SD
	Corporate governance exercised at Busitema University.	5	4	3	2	1
	Corporate governance is effective at Busitema University.	5	4	3	2	1
	Corporate governance affects the performance of Busitema University.	5	4	3	2	1
	Effective corporate governance positively affects or improves the performance of an institution	5	4	3	2	1
	Transparency is an important aspect of good governance	5	4	3	2	1
	Corporate governance improves transparency leading to proper accountability	5	4	3	2	1

7. Corporate governance benefits an institution
   Yes...................... No...................... Not sure................

SECTION C: ACCOUNTABILITY

The following statements are designed to understand your opinion on the extent to which the Busitema University ensures proper accountability. The scale used for these statements should be viewed as a continuum with 1=strongly disagree, 2= disagree, 3=not sure, 4=agree, 5=strongly agree.

	Statement	SA	A	N	D	SD
1	There is proper monitoring of income	5	4	3	2	1
2	There is proper monitoring of expenditure	5	4	3	2	1
3	There is proper monitoring of cash management	5	4	3	2	1

There is proper monitoring of debt and arrears management	5	4	3	2	1
There is proper monitoring of budget modification	5	4	3	2	1
The University ensures accountability to major stakeholders					
You are required to make internal reports in the University					
There is monitoring for accountability					

9. Accountability is a critical element of management of institutions administrators are expected to answer to their board for their performance.

Yes...................... No...................... Not sure................

10. Internal controls check on the accuracy of the executive work through accountability. Yes...................... No...................... Not sure................

11 Does accountability benefit a public education institution?

Yes...................... No...................... Not sure................

SECTION D: THE PERFORMANCE OF BUSITEMA UNIVERSITY

In your current position, please evaluate the performance of Busitema University. The following statements can be answered using a seven-point Likert scale with the categories being 1=Well below Average (WBA), 2= Below Average (BA), 3= Average (SBA), 4=Above Average (AA), and 5=Well above Average (WAA). Please circle or tick the

Statement	**WAA**	**AA**	**A**	**BA**	**WBA**
I would rate the quality of Busitema University's development plan as...	5	4	3	2	1

I would rate the Staff Functional Capacity of Busitema University as…	5	4	3	2	1
I would rate the Capacity Building Performance of Busitema University as…	5	4	3	2	1
I would rate the Budget Allocation Performance of Busitema University as…	5	4	3	2	1
I would rate the Procurement Performance of Busitema University as…	5	4	3	2	1
I would rate the Revenue Performance of Busitema University as…					
I would rate the Functionality of Busitema University's Accounts and finance Department as…	5	4	3	2	1
I would rate the Performance of the integrated financial monitoring system of Busitema University as…	5	4	3	2	1

9. Relationship between Corporate Governance and financial performance?

Yes…………………… No…………………… Not sure…………….

10. Relationship between Accountability and financial performance?

Yes…………………… No…………………… Not sure…………….

(B)Interview guide:

Dear respondent, I am a Student at KIU undertaking a study on the influence of accountability, corporate governance on the performance of public universities in Uganda: A case study of Busitema University. The study is in partial fulfilment of the requirements for the award of a Masters Degree in Administration.

I kindly request you to answer the questions sincerely and accurately. The information will only be used for academic purposes and will be treated with maximum confidentiality. Thank you for your kind cooperation

Yours faithfully,

What is your position in this organization?

For how long have you been in this organization?

What is your highest level of education?

Does accountability benefit a public education institution?

How effective is accountability at Busitema University?

What is the effect of accountability on the performance of Busitema University?

. Is corporate governance exercised at Busitema University?

. What is the role of corporate governance?

. Does corporate governance benefit a public university?

0. What is the effect of corporate governance on the performance of Busitema University?

1. How effective is corporate governance at Busitema University?

2. What can be done to improve the performance of Busitema University?

3. Is there the relationship between accountability, corporate governance and performance of an institution?

Thank You

APPENDIX II

TIME SCALE

PERIOD	ACTIVITY
Week 3 of April	Thinking about the research idea
Week 3 of April	Defining the research objectives
Week 4 of April	Drafting and reading literature review
Week 1 of May	Drafting the research methodology
Week 2 of May	Completion of the proposal
Week 3 and week 4 of May	Data collection
Week 1, 2 and 3 of June	Data analysis and presentation
Week 3 of June and week 1 of July	Completion of the report and submission

APPENDIX III

BUDGET (Human & Financial)

	ITEM	QUANTITY	AMOUNT
1.	Ream of paper	3	45,000
2.	Disc (Flash)	1	30,000
3.	Surfing	modem plus subscription	150,000
4.	Typing, Printing & Binding		200,000
5.	Lunch, Phone calls		150,000
6.	Transport		200,000
7.	Allowance for research assistant		700,000
8.	Miscellaneous Expenses		100,000
	TOTAL		**1,575,000**