

Institutional Funding as an Accountability Process

Jacob M. Selesho¹ and Chitja Twala²

¹*Faculty of Management Sciences, Vaal University of Technology, Vanderbijlpark, South Africa
E-mail: jmselesho@webmail.co.za*

²*Faculty of Humanities, Department of History, University of Free State*

KEYWORDS Funding. Quality. Programmes. Accreditations. Accountability.

ABSTRACT The intent of the study was to find out if institutional funding has a quality impact on the delivery of the academic programmes. This study was conducted through the use of semi-structured interviews and documental analysis process. The study did attract responses from 50 academics Heads of Department. Majority of the respondents considered academic programmes as being funded at the lowest grid and this has implication for financial sustainability of the academic programmes. Most of the respondents felt that even though quality and funding relate yet it is difficult to link them. Despite the fact that there was a reasonable prospect of promoting quality of academic offerings, it was also necessary to help to employ the best academic staff.

INTRODUCTION

‘Quality Assurance (QA)’ is slowly but steadily becoming an integrated part of Higher Education (HE). From being a novelty a couple of decades ago, with much emphasis on how to design and set up quality assurance systems and procedures, we witnessed more interest in methodological issues before our attention was more drawn to the human factor, how interest in quality may be stimulated by leadership, and the ways to stimulate staff and student involvement and ownership (Stensaker 2007:59-60).

Currently, more and more governments and quality assurance agencies, but also Higher Education (HE) institutions are held accountable with respect to quality issues. Those familiar with the field of QA would perhaps argue that the accountability dimension is far from new; it has been present for decades (Schwarz and Westerheijden 2004:18). While this is correct, one should nevertheless notice that accountability these days means something different than in the past. Accountability has been associated with whether quality assurance systems and procedures are developed and in existence; the question of the impact and effect related to this activity is still interrogated (Stensaker 2007:63).

If Higher Education Institution (HEIs) do not adequately prepare their students to fulfil various social roles, their value in identifying individuals who are sufficiently competent to enter the various occupations, requiring higher degrees of education and training, is lost. Thus, an educational programme of this kind is fundamental to the growth and development of all

countries in the twenty-first century (Council for Higher Education 2003:17).

Significance of the Study

South Africa Higher Education Institution recognises the fact that internal QA is not simply an internal institutional matter; rather, it is an essential ingredient of an emerging new relationship between government and all HEIs to ensure that the procedures and processes followed at institutional level result in an improvement in quality. At the same time, an institution recognises that its success in ensuring competitiveness and the upholding of standards, together with a greater effectiveness and efficiency, is dependent on the successful implementation of the necessary mechanisms to ensure continuous qualitative improvement through internal evaluation in all its schools and units.

Conceptual Understanding

The funding of HE refers to the provision of resources needed to facilitate an institution of higher learning as it performs its core functions, and in the process delivers desired educational services. This implies that without adequate funding, HE institutions cannot effectively perform their functions and deliver the desired quality education. For example, the size and quality of the teaching staff depends on an institution’s staff development programme, whose effectiveness is largely dependent on the adequacy of funding (Jongbloed 2007:15).

Issues of quality in education are thus linked to issues of accountability. It may now be ar-

gued that accountability should, in turn, be linked to issues concerned with the appraisal of an institution and its staff to be publicly accountable. It is necessary for both the institution and the staff to submit themselves to agreed objectives.

QA is not just the latest fashion, but a remarkably successful management system; a success which is sustained by government endorsement, because it provides a means of securing accountability (Harvey and Newton 2005:77). Accountability requires the external scrutiny of institutions and publishable outcomes, while quality enhancement requires that this is linked to a process of continuous quality improvement, at institutional level and at the level of academic discipline. It is most unlikely that any system or institution would commit itself to the production of low quality educational outcomes. This follows, because educational systems or institutions have a set of stakeholders of whom the majority would insist that most, if not all, activities be of a high quality. The expectations of these stakeholders form part of the "framework of accountability" within which, educational institutions should work. These stakeholders have, in a sense, a "contractual relationship" with educational institutions (Jongbloed 2007:15).

Given the increasing inability of governments to adequately fund public HE institutions and the heavy financial strain felt by parents in supporting their children pursuing HE, HE find it difficult to operate within the set structures as a result of budgeting requirements.

Government Models and Funding in HE

Mechanisms should be established within the institution that will ensure a continual improvement of quality. Any lack of infrastructure that may be due to a lack of funds, should be addressed and this should not be seen as an excuse for poor quality. Accountability for the use of public money is also relevant. Universities have demonstrated some resistance to change, urging the funding of more staff when student enrolment in a discipline increases, but are reluctant to reduce staff when the enrolment decreases (Jongbloed 2007:15). HEIs should be transparent and accountable; willing to be judged by their mission statements and their priorities.

The funding policies and mechanisms which were in place in South Africa's HE system up to 1994, have to be read against the background of the different funding models that were applied (NCHE 1996:93-95). The process of self-evaluation should not be linked to funding and that the historical and cultural differences should be taken into consideration. At least three different models, as discussed below, were in place up to 1994.

- *State Supervision* The overriding governance model for the historically White universities during the 1970s, 1980s and 1990s was a state supervision one. In terms of this model, the state is supposed to do little more than provide the infrastructure within which its HE system operates. The state supervises the system in the sense of setting up frameworks of regulations and incentives for HE institutions, which are designed (a) to ensure that the system as a whole produces the outcome required by the state, and (b) to ensure that acceptable levels of quality and accountability are maintained (Bunting 1996:135-137).
- *State Control* This was the governance model which applied to the Black Universities and UoTs until the mid-1980s, and which still applies in the college sector. This model normally applies in systems which are created and almost completely funded by the state, and whose key academic and administrative activities are the responsibilities either of a civil service department or a political ministry (Bunting 1996:135-137).
- *State Interference* Elements of a state interference model intruded on a regular basis into the affairs of universities, including the historically white universities, during the 'apartheid' era. The use of the term 'interference' is intended to signify that control has not been systematic; that it has generally occurred when the political and/or developmental agendas of the government and sections of the HE system have diverged (Bunting 1996:135-137).

The main feature, which distinguishes a state control model from a state interference model, is this: in a state control model political and/or bureaucratic control is an overt objective; in a state interference model institutional autonomy is ostensibly the official policy.

Monitoring Funding as a Means of Improving Quality in HE

Quality is increasingly being considered as a key factor in promoting competition. As a consequence, many quality management systems seem to be outwards-orientated, with more emphasis on the universities' external presentations than on their internal development processes. Admittedly, a university's reputation and its dependence on external institutions (for example, in the context of funding/budget), can be extremely influential factors for internal QA. External expectations and the quality notion which are strongly related to the concept of accountability, have to be considered as well (Amaral 2007: 6-7). Linking quality assessment to funding has been a subject that has caused considerable debate and one in which there appears to be a rift in the dominant approach, with some countries making a direct link between external quality monitoring and funding, while others propose, at most, an indirect relationship.

A funding link is seen as necessary if external quality monitoring (EQM) is to have any direct impact on the quality of provision, since funding is the single motivating factor to which institutions will respond. On a negative note, the 'accountability-led' view of quality improvement is dependent on the effectiveness of a funding sanction.

According to Jongbloed (2007: 17), the procedure for allocating public funds for HEIs and their students may take several forms. What is at stake here is the funding systems. The goal is to implement transfer mechanisms that provide incentives for institutions to operate efficiently and make the most effective use of their scarce resources.

In several countries, governments have also been experimenting with the market type mechanisms system to force HEIs to compete for students, for funds and for research money. On the European level, the Bologna Declaration, redefining the nature and content of the academic programmes, is transforming the once state monopolies over academic degrees into competitive international markets (Amaral 2007: 6-7).

A *de facto* link was forged by linking quality to funded development projects through the Fund for the Improvement of University Quality (FIUQ), a World Bank-backed initiative. Resources of the FIUQ will be allocated by tak-

ing into account academic quality, using such indicators as faculty qualifications and publications, internal efficiency and the outcome of peer review (World Bank 2002: 19).

Arguably, compliance is exactly what is wanted, whether by autonomous or financially coerced means. Nevertheless, the issue is not one of compliance, but of the educational philosophy with which institutions are complying. The issue, then, is not whether quality should be linked to funding, but whether funding can be used as an incentive to improve student learning experiences or whether the link acts merely to ensure that institutions conform to accountability requirements. This has been proved by the funding grid on the teaching throughput at both undergraduate and the postgraduate levels (Kasozi 2006: 30-32).

Prospect of Decrease in Public Funding

A new funding formula was proposed and implemented for the first time in 2006/7. In closing the old funding framework, a migration strategy was put in place for the triennium 2004/5 to 2006/7 to ensure that the implementation of the new framework does not have an effect of destabilising the HE systems (DoE 2006: 3). The new funding framework was applied fully with effect from the 2007/8 financial year ending the migration strategy with the intention of monitoring the process.

While the old funding framework left some scars in the systems, a number of institutions have experienced declining student enrolment and institutional debt during recent years. The most affected have been historically black institutions and the traditional distance institutions which have found themselves under severe financial and other pressures (Badat 2001: 30-35). However, a migration strategy implemented by the DoE did indeed inject some positive thinking into the HE community in order to close the gap.

The New Funding Framework Focuses on the Following Aspects

Input Funding Grid: In this system, funding is allocated according to the measures of the teaching costs of the HEI. The focus is on the type of teaching categories either being that of the contact or distance mode, as well the

programme/ subject funding categories (DoE 2006:3).

Teaching Output Grants: In this system, funding is allocated according to the completion rates. This serves as an incentive to encourage an institution to put measures in place to ensure their success, throughput and graduation rates (DoE 2006: 3).

Research Output Grants: In this system, funding is allocated according to the research output. The research output can be classified as follows:

- Publications
- Research Masters Graduates
- Research Doctoral (DoE 2006: 6-9)

The landscape would thus comprise a mix of HE institutions with varying roles and functions, which contribute in different yet complementary ways to the diverse economic and social development, knowledge, and personal power needs of South Africa. The issue of institutional redress funding has to be approached within such an overall context (Badat 2001: 30-35).

RESEARCH METHODOLOGY

This section will underpin the methodological aspect and philosophical approach of the study. Furthermore, the chapter intends to ensure that these philosophies are made explicit to the reader. The population, sample and the research design are described, followed by a section on data collection.

Information gathered from the empirical study, was used to ascertain the most important factors for the improvement of quality systems at HEIs in South Africa. This information, together with the information gathered in the literature study, helped to analysis self-evaluation practices that HEIs need to adopt to improve their internal quality systems or if need be, to develop a quality model.

Research Design

The purpose of selecting a research design is to provide results that are judged to be credible. Credibility refers to the extent to which the results approximate reality and are judged to be accurate, trustworthy and reasonable (McMillan and Schumacher 2007: 315-317). For the purposes of this study, questionnaires were delivered by hand and by the use of e-mail facilities to QAM and Academic HODs.

The current study and its designs are called Level II and require a descriptive survey. The design dictates how the variables are to be measured in testing their relationship. In this type of design, the variables are partly controlled by the situation, as they are in exploratory design, but they are also partly controlled by the investigator, who chooses a sample for the study. The researcher was not interested in controlling the other variables, but merely in observing them. For example, in developing a quality model to be used by HE, the relationship between the educational level of lecturers and their ability to make sound judgments about self-evaluation outcomes is controlled by the researcher who selects a sample of lecturers with all types of educational backgrounds. The judgments of these lecturers are then assessed, examined and evaluated as they occur. The purpose of the study will be accomplished by seeing if the occurrence of sound judgment is related to educational background.

Population

The entire set of objects or people which is the focus of the research and about which the researcher wants to determine some characteristics is called the population. It is sometimes referred to as the 'target population', which is the set of elements that the research is focused upon and from which the results obtained, by testing a sample, should be generalised. It is absolutely crucial to describe the target population accurately (Bless et al. 2007: 99). The target population for this study was all Universities of Technology (UoTs), from which the researcher can establish some characteristics.

It is true that UoTs were used as the target for this particular of study, simply because of their previous experience with the Certification Council for Technikon Education (SERTEC). It is hoped that the results of this study can be generalised in order to benefit all UoTs.

Sampling

Due to the limited nature of the study in terms of the research life span, it was not feasible to collect data from all UoTs. The researcher decided to select only four UoTs as a good representation of the sample. The sampling was well represented on the basis of geographical loca-

tion and the number of UoTs represented. There was a good relationship in terms of the basis of the population and the sample. From four UoTs the researcher decided to select the academic heads of departments (HOD) randomly, and Quality Assurance Managers (QAM) (N=45). The participants were chosen from as wide a variety of backgrounds as possible. The universities had a different cultural background with HDI and HAI as the target for the study.

Academic HODs and QAM were requested to complete a four-point scale questionnaire, as well as to attend an interview session in order to furnish the information required by the questionnaire. The selection was based on the existing quality systems of UoTs and it was important to focus on the institutions that had not yet built a state-of-the-art internal self-evaluation process. The selection of these UoTs was also influenced by their accreditation status and the external evaluation systems that were used by the Certification Council of Technikon Education (SERTEC) and the new body introduced, that is, Higher Education Quality Committee (HEQC).

The sample was suitable and regarded as feasible, since, small-sample statistics assure the researcher of acceptable reliability. It should be borne in mind that statistically significant findings for any relevant variable appear, simply by increasing the sample size towards the universal. A total of 50 copies of the questionnaire were distributed among the HODs and QAM. Altogether, the instrument consisted of +20.

RESULTS

The findings for this paper were corroborated by the results of both the questionnaires and interviews. These findings supported three research questions as they were seen to be the main indices for the study.

The discussion concentrates on data obtained following the administration of feedback-questionnaires and of personal interviews with heads of academic departments (HODs) and institutional quality managers (QAMs). The aim of this chapter is to present the views and responses of the participants as they responded to the questionnaires and interviews. At this stage, the researcher intends to present the responses and the views of the respondents as they are and does not intend to argue or offer his opinion or analysis at this stage.

The point enhanced by the policy issues is the tensions within the policy-making process between the state and the quasi-state, with no clear boundary between their respective spheres of authority, accompanied by the realisation that both may have different interpretations of what constitutes desirable policy outcomes. The researcher explained to the respondents that they should bear in mind that the evolution of the policy-making process by their respective institutions is not simply a record of expanding institutional powers. This tension between institutional policy and government policies was bound to happen, as experienced by the respondents. It can be argued that the governance of QA raises important issues with regard to leadership.

It was important for the researcher to establish if the HEIs have compliant processes in place when dealing with QA at their respective institutions. Respondents were asked about the existence of such policies with regard to the guidance of and compliance with their internal quality mechanism. A total of 3 (7%) of respondents were in contrast to the views of the HEQC which believe that all HEIs should be geared towards the revisiting of QA policies, not quite at the developmental stage.

Furthermore, these views of inequality in compliances with regard to policies should have been eradicated by the intervention of the HEQC capacity development structures. The 3 (7%) respondents clearly indicated the difficulty of identifying quality compliance in their respective institutions.

However, few would agree that after the first round of re-accreditation and of institutional audits, universities should be at the advanced stage of compliance. The respondents indicated that they are still at the developmental stage and that they are really working towards compliance that will guide the quality culture in their HEIs. It is indeed difficult to strategise if there are no policies in place to act as a guide.

The researcher has included the question of institutional funding, a question motivated by the results of Higher Education Management Information Systems (Hemis) and a new funding framework for HE. Regulations in HE consists of a process that incorporates standard setting, monitoring, evaluation and resource allocation and distributions. The first three of these functions are, even if in practice delegated, for-

merly the responsibility of funding play a major role. All the respondents believed that funding and resource allocation impact on the quality of academic programmes, with one respondent indicating particularly strongly that this is so, in the following comment:

"In our institutions financial incentives, being in the form of grants or other special mechanisms, really assist us in creating support programmes for novice researchers. The university has a plough-back policy, by using the research earnings generated from Master's and Doctoral funding to improve the research capacity as these qualifications are considered as quality indicators."

The following question was included in the questionnaire: "Is it appropriate to link institutional funding with the quality of the institutional programme?"

A large number of respondents agreed with the statement; that it is important to reward institutional quality compliance with funding. Forty-three (95%), of the respondents seemed to be in support of the idea and it was further revealed that these rewards can be used to enhance the institutional infrastructure subsequent to that to improve the quality of the academic offerings. It must be said that some respondents had a different perception regarding the rewards principle. Two participants (5%) did not fully support the funding mechanisms linked to quality output, saying that the better funding will go to only those elite institutions as they have benefited previously. Therefore, it would be difficult to compare institutions by using one measuring instrument.

It was also noted that although the components were not final, they would not differ much in the approved framework.

- a) These were additional funds available for research and 10% of the total research output funds would be allocated for earmarked research development purposes.
- b) The funds for the foundation programmes would also be allocated from the remainder of the funds.

Quality Subject and Courseware Production

QA criteria should be seen as a means of gauging what has been achieved and what needs to be improved; quality cannot be mandated.

Considering the complexity of introducing new learning, an iterative approach to improving quality is crucial to nurturing cultural change. To promote quality in teaching and learning is a complex task. In the lecture hall, it has to do with the teaching practices, student capabilities, resources, the design of the subject and the types of assessment undertaken. Many academic and support staff may need professional development in some of these areas, along with the training and professional development associated with the use of new learning technologies. It was interesting to learn that some faculties will have to go through what might look like a sub-optimal phase of development, but only by doing so, will they be able to move forward. This is particularly relevant in an environment where implicit teaching knowledge and expertise will need to be articulated before a multimedia approach to the subject can be considered or designed. This study is important, particularly if one considers the role and the return on investment (ROI) assigned to the project team when undertaking self evaluation; thus underscoring the role and contributions of self evaluation. Responsive quality culture led by external demands might be regarded as opportunistic, combining accountability and improvement. However, this process always leads to a lack of ownership as indicated by the respondents during the interviewing process.

It is imperative that quality enhancement should be included as one of the major transformational aspects. HODs believe that the enhancement aspect is limited. There is no culture that can be linked to enhancement in improving quality in some UoTs to enhance, as well as modify the structures.

Enhancement can be seen as a tool promoting and ensuring that there is continuous work in improving the process towards quality attainment. It is in this regard that institutions have a clear quality model guided by the policies on how internal self evaluation operates and what mechanisms can be used in transforming the process. Academics should be guided with the help of a clear quality model which, to a certain degree, embraces the philosophy of enhancement.

Arguably, one needs to be explicit about the purpose of QA and ensure that appropriate quality culture is being enhanced and enabled. It should also be noted that QA purposes and qual-

ity culture are not fixed for all time; a flexible approach should be always be applied during the enhancement processes.

DISCUSSION

From the analysis and interpretation of the empirical findings of this study, it is clear that academics have different perceptions about how the HEQC is conducting its re-accreditation process that flows from internal self evaluation. The self evaluation process as practised by the different UoTs towards quality improvement is seen not to be performing its intended purpose as some HODs believe that once the self evaluation process is completed, half the battle is won. This is not the case, as most self evaluation does not emanate from a critical mindset of robust debate as directed by the department that is being evaluated. The process is merely conducted as an exercise in critique and not applied rigorously; it is simply a process of checking the status quo against a set of criteria.

In the discussions with respondents, some had knowledge of the guiding principles informing the performance of self evaluation at their respective UoTs. This tendency did have some positive views, but only marginally so. Many respondents seemed to be ill-informed about the process of self evaluation leading to programme re-accreditation; the gist of self evaluation being not evident from the participants' responses. Consequently, a major task still lies ahead in establishing a quality model that can serve as benchmark for UoTs to develop their systems.

The rationale and the logic of the findings have indicated that a clear directive and purpose in performing a self evaluation task plays a crucial role in making the process more effective. However, in the current system, there is a need to enhance clarity through training and collaboration. Furthermore, the study demonstrates that all HODs should possess knowledge and understanding of the purpose of self evaluation if the whole process is to be effective. The purposes inform the HODs of what the benefits are and how the process should be unfolded from the beginning to the end. Understanding the process will play a major role in assisting HODs' familiarity with the benefits of the system. If HODs understand the process of self evaluation, how it works and understand its logistics, they are bound to embrace ownership of the process

and the concomitant quality culture within the institution.

CONCLUSION

All South Africa HE institutions are required to apply for re-accreditation as stipulated by the HEQC. Although most institutions have been using academic self-evaluation as a methodology for many years, very few, if any, have embarked on the journey of the institutional enhancement process supported by a particular quality model or framework. It is thus appropriate to conclude the study by alluding to the fact that self evaluation is a useful tool for institutional development. It is essential that all support sections at HEIs be used as scaffolding mechanisms in the self-evaluation process.

It is in this regard that the study outlined the national HE DoE structure in order to assist UoTs with compliance issues and to emphasise that strong institutional policies be built on, together with a monitoring process to ensure compliance. Institutional self-evaluation principles are in actual fact very simple, indicating that QA is evidenced-based and that logic is an active force in making it a success. It is recommended that clearly defined concepts linked together to form a coherent system should be employed to build a strong self-evaluation report. This system makes the results more valid as prior planning is undertaken accordingly.

It cannot be sufficiently emphasised that concepts, ideas and issues should be constantly revised and rethought. Deep historical wounds will not be healed by simply inviting people to come together to engage in dialogue in order to build a self-evaluation report. Renegotiating requires attempting to understand concepts and one another at the so-called 'metaphysical' level. This implies that a workshop be conducted prior to the completion of the self evaluation process and can be done by the unit of academic development or various faculty structures. The self-evaluation process needs to be exposed when it is dysfunctional and needs to be transformed when it demonstrates limitations. Moreover, where necessary, it should renegotiate relations between HODs from different disciplines who come to the table of discussion with different 'metaphysics'.

In the quest for modernity, HEIs should invest much time in the preparation of self evaluation and it is important that all staff at HEIs be

vigilant and confident enough to complain if the system does not work. HODs should help to foster a climate of confidence in the process of self evaluation and the institution itself, should be continuously scrutinising the strengths and weaknesses of the system in order to keep on improving.

The findings of this study have confirmed and affirmed the importance of institutional self evaluation in building and enhancing a quality culture within UoTs. Coming up with a prescriptive model would be a serious misjudgement as quality indicators are based on different principles in various institutions. In supporting the model process the research has not proposed any particular model so that academics will not feel bound to a structure coming from certain legislative requirements as part of the HEQC criteria that serve as a blueprint for any quality matters at HEIs.

REFERENCES

- Amaral A 2007. HE and Quality Assessment the Many Rationale About for Quality. Embedding Quality Culture in HE. *A Selection of Papers from the 1st European Forum for QA*. Technische Universitat Munchen, Germany.
- Badat S 2001. *South African HE at the Beginning of the New Millennium: Realities, Problems and Challenges*. A Joint Publication between Unisa and Technikon S.A. Pretoria: Nadeosa.
- Bunting I 1996. *QA and HE Funding Policies and Mechanisms in South Africa*. University of the Free State, Bloemfontein.
- Bless C, Higson-Smith C, Kagee A 2007. *Fundamental of Social Research Methods an African Perspective*. 4th Edition. Cape Town. South Africa: Juta and Company.
- Council on HE (CHE) 2003. *The State of Private HE in South Africa*. Pretoria: CHE.
- Department of Education (DOE) 2003. *Revised Funding Framework (Draft)*. Pretoria (DoE).
- Harvey L, Newton J 2005. Transforming quality evaluation in HE. *Quality in HE Journal*, 10(2): 77-91.
- Jongbloed B 2007. *Funding HE: Options, Trade-offs and Dilemmas. Funding Systems and Their Effects on HE Public-Private*. Twentwe. Holland: University of Twentwe Publication.
- Kasozi A 2006. Regulating transnational HE in Uganda: Consumer should be cautious. *The Uganda Higher Review*, 3: 30-32.
- McMillan JH, Schumacher S 2007. *Research in Education*. New York: Pearson Education, United States of America.
- National Commission on HE (NCHE) 1996. *A Framework for Transformation 1996*. Pretoria: HRSC.
- Newton J 2007. What is Quality? Embedding Quality Culture in HE. *A Selection of Papers from the 1st European Forum for QA*. Technische Universitat Munchen, Germany.
- Republic of South Africa Department of Education 2006. *Funding Formula for Higher Education Institutions*. Pretoria: Government Printer.
- Stensaker B 2007. Impact of Quality Processes. Embedding Quality Culture in HE. *A Selection of Papers from the 1st European Forum for QA*. Technische Universitat Munchen, Germany.
- Schwarz S, Westerheijden DF 2004. *Accreditation and Evaluation in the European HE Area*. Twentwe, Holland: Dordrecht, Kluwer Academic Publisher.
- World Bank 2002. *Constriction of Knowledge Societies: New Challenges for Tertiary Education*. Washington DC: Word Bank.