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AN ASSESSMENT OF DONOR FUNDING PRACTICE AND ITS IMPACTS ON MEETING THE DEVELOPMENT OBJECTIVES OF RECIPIENTS: A CASE STUDY OF THE AFRICA VIRTUAL UNIVERSITY (AVU), NAIROBI, KENYA

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Declaration

This research project is my original work and has not been submitted for a degree in any other university.

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DATE

This research project has been submitted for examination with my approval as a university supervisor.

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Dedication

This project is dedicated to all the African Virtual University (AVU) staff that has gone through the most turbulent moments in the organization's history.

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I would like to thank my supervisor, Dr. Stephen Louw for his guidance, ideas, and support that contributed towards the completion of this research report.

I also want to thank other people who are directly responsible for the success of the project

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My husband for his constant support, love and patience, and all the help he has provided me with.

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Abstract

The subject of donor funding has been one that is full of controversy. It has raised strong debates over the years and continues to be a topic of interest. It is argued more often than not that donor organizations place a lot of conditionalities before disbursing development funds to recipient organizations or countries. These conditionalities in most cases do not match with the objectives of the recipient organizations or governments and create avenues for disagreements.

It has been the case that donor organizations normally prescribe particular programmes that they fund; and that this restricts the recipient organizations to programme choices that are already determined by the funding institutions. In the case of multi-donors funding of a particular organization, the practice may undermine funding effectiveness in the recipient organization as that may make it possible for different donors to start contradictory programmes or for multiple donors to duplicate projects, reducing the overall effectiveness of assistance.

This study was designed to assess donor funding practices and its impacts on meeting development agenda in a particular organization. This was a case study of a multi donor funded educational organization, the African Virtual University (AVU), based in Nairobi, Kenya. Primary data formed the basis of this research and was collected through structured questionnaires. In addition, secondary data was also used to get background information on the organization.

The study sought to answer three research questions regarding the perceived interests of varying stakeholders, how their interests affected the overall objectives and management of the AVU, and in turn how it affected the AVU's contribution towards tertiary education in Africa. The results have shown that there were indeed conflicting interests among the various stakeholders that affected the overall achievement of the AVU's goals as a result of lack of focus. In addition it was established that the main beneficiaries of the AVU programmes (students and African universities) were not often included in the process that determined the AVU's overall direction. Furthermore, it was confirmed that the previous management of the AVU did not play a key role in balancing out the different interests and in directing the AVU towards achieving its overall goals even though respondents agreed that there was some degree of success in certain activities. This study also proved the hypothesis that strong and committed management contributes towards balancing out multi stakeholder interests eventually leading to success in achieving an organization's objectives.

The study has shed light on the practices of donor funding. Donors ought to be cognizant of funding needs of recipients rather than putting pressure on organizations to follow their ideas. Even though donor funding comes with certain conditionalities, I think there should be some degree of flexibility and compromise put in place so as to allow the beneficiaries' input regarding their own development issues. Development funding can only bear fruits if the actual need of recipients on the ground is studied and taken into consideration. In addition, recipients should be actively involved in setting their own strategic objectives for maximum outcome. This study will serve as a blue print on donor funding and the challenges that come with it. The lessons learnt will guide other development organizations dependent on donor

funding and dealing with similar issues to jump start their processes to improve their performance, achieve their goals and objectives and in turn contribute positively towards development of the continent.

List of Acronyms

AfDB	AFRICAN DEVELOPMENT BANK
AUSAID	AUSTRALIAN AID
AVU	AFRICAN VIRTUAL UNIVERSITY
CIDA	CANADIAN INTERNATIONAL DEVELOPMENT AGENCY
IBRD	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
ICT	INFORMATION AND COMMUNICATION TECHNCOLOGY
IMF	INTERNATIONAL MONITORY FUND
ODeL	OPEN, DISTANCE AND ELECTRONIC LEARNING
OECD	ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT
PRS	POVERTY REDUCTION STRATEGY
PRSP	POVERTY REDUCTION STRATEGY PAPER
SAL	STRUCTURAL ADJUSTMENT LOANS
SAP	STRUCTURAL ADJUSTMENT PROGRAMS
SSA	SUB SAHARAN AFRICA
UNESCO	UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION
UNISA	UNIVERSITY OF SOUTH AFRICA

CHAPTER ONE

INTRODUCTION

1.1 Background

1.1.1 Definition and historical perspective

The concept of donor funding, as clearly articulated by Thomas (2000: p 213-222), in international development came about right after the Second World War and was initiated by the United States. In July 1944, at the Bretton Woods Conference, 44 nations, including the United States, Great Britain, and the Soviet Union, agreed to establish the Bretton Woods institutions – the International Monetary Fund (IMF) and the International Bank for Reconstruction and Development (IBRD/World Bank) – to provide loans to governments for post war economic reconstruction.

Funding to developing countries came about towards the end of the 1940s and the beginning of the 1950s, in the form of technical assistance, with the main purpose of availing scientific and industrial progress made in rich countries to developing countries (Thomas 2000). Development funding was provided through major avenues: bi-laterally and multilaterally. Subsequently, other developed countries expanded their assistance as well, while the World Bank remained one of the major donors and played a central role as an international funding organization. (Thomas 2000)

Mavrotas and Villanger (2006) point out that the objective for the provision of foreign funding varied widely. Kanbur (2000, p.4) argues for instance, that the main reason for the US to expand its bi-lateral funds in the 1950s was to block countries from falling under the

communist ideology, whereas, the United Kingdom (UK) concentrated its funding activities towards its colonies with the aim of preparing them for independence.

As a result of changing world economic systems, by the 1970s and 1980s, multi-lateral and bi-lateral donors became more development oriented in their lending focusing on various social programmes including health and education (Thomas 2000). As a result of unstable macroeconomic condition in most African countries at the time, coupled with corruption and misuse of aid money, donors were not satisfied with the impact of earlier development assistance programmes and loans. Thus, multi-lateral and bi-lateral donors became more assertive in insisting on fundamental changes in the way in which recipient governments functioned. This resulted after the 1980s in international assistance and loans based on certain norms and rules as represented by the structural adjustment loans (SALs) that were provided by the World Bank and the IMF. (Thomas 2000).

Structural adjustment (Thomas 2000, p. 52) is a term used to describe the policy changes implemented by the International Monetary Fund (IMF) and the World Bank in developing countries. These policy changes are conditions for getting new loans from the IMF or World Bank, or for obtaining lower interest rates on existing loans (Thomas 2000). Conditionalities are implemented to ensure that the money lent will be spent in accordance with the overall goals of the loan. In addition, and more generally, the Structural Adjustment Programmes (SAPs) are created with the goal of reducing the borrowing country's fiscal imbalances. Conditions imposed by the lending institutions such as fiscal conservatism and downscaling of public expenditures have had huge consequences on important social programmes such as

education and health.

According to (Thomas 2000), in general, the Structural Adjustment Policies (SAPs) have been imposed to ensure debt repayment and economic restructuring. This was done through advocating for less government involvement in some sectors that could drive the economy. This meant advocacy of privatization and free market economy. But the way it has happened has required poor countries to reduce spending on social sectors such as health, education and development for the main reason that these sectors are heavily subsidized by government spending. This made debt repayment and other economic policies to be the priority. So what this meant is that aid was now only given to developing countries on condition that they liberalized their economy and reduced deficit spending; reduced the role of the state; and removed various standards and measures to make the country attractive to foreign investors.

Tisch and Wallace (1994), argue that not all donors followed the norms and rules from the very beginning. In the current decade, there has been the establishment of the Poverty Reduction Strategy (PRS) regime, as a mitigation of the structural adjustment regime, to cover various social issues such as agriculture, health, industry, education, and infrastructure improvement among others. The Poverty Reduction Strategy Paper (PRSP) is prepared by governments in low-income countries through a participatory process involving domestic stakeholders and external development partners, including the IMF and the World Bank. A PRSP describes the macroeconomic, structural and social policies and programmes that a country will pursue over several years to promote broad-based growth and reduce poverty, as well as external financing needs and the associated sources of financing (Tisch and Wallace

1994). So the impact of PRSP on aid is that unlike the original SAPs, it helped channel aid to social programmes such as education, since it is better prepared to take a country's needs into consideration. The reason why the PRSP is more oriented towards social programmes is that donors realized that a market driven economy on its own may not be the answer towards development and that social programmes are as equally important to ensure human development.

1.1.2 Challenges of donor funded programmes

Foreign funding has been the subject of intense debate within academia and various groups of people and organizations. Experience has shown that there have been challenges that are affecting donor funded programmes such as conflicting interests of donor agencies and recipients; institutional framework and governance structure, recipient participation in setting objectives, accountability, and sustainability. Bloom et al (2006) show that development assistance received from multiple donors undermines funding effectiveness in the recipient organization as that may make it possible for different donors to start contradictory programmes or for multiple donors to duplicate projects, reducing the overall effectiveness of assistance. In addition, within the organizations dealing with various development issues, there exists enduring differences among individuals and groups in terms of values, preferences, beliefs, information and perception; allocation of scarce resources; organizational goals and decisions emerging from bargaining, negotiating, and jockeying for position among various interested parties. It is against the above background that I am going to explore issues pertinent to the nature and purpose of donor support for the African Virtual University (AVU).

1.1.3 Background on the AVU

The African Virtual University (AVU) is an intergovernmental educational institution based in Nairobi, Kenya, which was initiated by the World Bank in 1997 as a pilot project. The AVU originally brokered content, i.e. bought course content from external international universities (e.g. Australia, Canada and the US) and in turn beamed the content to higher education institutions across Africa. Students enrolled in degree, diploma and short certificate and professional programmes. Currently, it is working closely with African partner institutions in order to enhance their capacity in open, distance and e-learning (ODeL) methodologies (ranging from print to electronic) with the aim of increasing access to their own demand driven programmes. Thus, the AVU's raison d'être is to serve African students and build capacity in African universities through training and effective partnership at all phases of project development and implementation. Expanded access to tertiary education has been the main measure of success.

Even though the AVU has been funded mainly by the World Bank, support was obtained from other bilateral donors who had shown great interest in financing the AVU for the design, development and implementation of the project. These include the Canadian International Development Agency (CIDA); the African Development Bank (AfDB); and Australian Aid (AUSAID). Hence, the AVU is an educational network that brought together its key stakeholders: African students, African higher education institutions, African governments, and various international donors together in a form of partnership to achieve its overall goals and objectives.

The AVU's mission has been to be a leading continental and virtual educational network collaborating with, and supporting African higher education institutions in enhancing their institutional capacities to utilize Open, Distance and e-Learning (ODeL) delivery methodologies so as to dramatically increase access to high quality demand driven programmes in disciplines critical for Africa's social and economic development. To achieve its mission the AVU gave prominence to strategic alliances or partnerships with those who have the ability to contribute significantly to its objectives.

1.2 Rationale for the study

The research is motivated by the fact that the researcher had worked with the AVU for two years and has personal experience with some of the challenges that the AVU is faced with. Through this research the researcher will have a chance to study the issues closely which will provide an additional insight to the AVU on how to addresses the challenges that it is facing. Moreover the study is motivated by the fact that the AVU, following UNISA, is the second largest distance education institution working with African universities and distance education is currently playing a key role in economic and social development in sub-Saharan Africa (SSA).

In addition, this study is worth undertaking because it quantifies (in terms of actual numbers) whether or not the AVU has been able to meet its goal of increasing access to tertiary education by African students. Also, the study will further understanding on institutional management and will serve as a guide on lessons learnt for other similar initiatives. Finally the study will help in identifying innovative ways of sustaining tertiary education initiatives

beyond donor support. Through my research, I would like to challenge stakeholders and advocacy groups to be stronger and voice out their concerns and redirect development efforts to be more inside out as opposed to dictated by what donors want. In addition, I would also like to challenge leaders and heads of international organization to be accountable and have integrity in undertaking their obligations. In addition, the research will shed light on many other related issues such as the role played by ODeL in increasingly becoming an effective tool to reach out to underprivileged students in SSA, and the complexity of multi-donor funded projects particularly in the education sector

1.3 Statement of the problem

While the AVU has brought together various stakeholders to work towards a common objective of increasing access to tertiary education in Africa, it has faced problems and challenges in balancing out the varied interests of the different stakeholders and this has often been seen as an impediment towards achieving its strategic goals.

1.4 Aim of the study

In light of the above, the main aim of the study is to investigate the perceived understanding of the various interests of the AVU stakeholders and the role that they played in shaping the overall direction and management of the organization. Hence, the study specifically strives to find out if the AVU has been able to meet its development objectives: increase in student numbers, the number of students who graduated and delivery of quality education, in the last 10 years of operation, despite the differences in the interests of the various stakeholders.

1.5 Research questions and hypothesis

In this regards it seeks to answer the following questions:

1. What is the perceived understanding of the key interests of the stakeholders of the AVU?
2. How are the setting of the AVU's objectives, strategies and programmes; and management of the organization affected/enhanced as a result of the perceived understanding of stakeholder interests?
3. What is the perceived understanding of how the varied interests affected AVU's contribution towards tertiary education in SSA?

My study seeks to falsify or prove the following hypotheses:

1. That the AVU has been able to meet its development objectives as a result of its quality of management despite varying stakeholder interest
2. Despite varying stakeholder interests, strong institutional arrangements ultimately contribute greatly towards meeting development goals.

If the AVU has been able to meet the objectives, the study will conclude that varying stakeholder interests does not necessarily affect the overall achievement of an organization's objectives if managed properly. If the AVU has not been able to meet its objectives, then the study will establish that varying stakeholder interests may lead to lack of focus and inefficient management of the organization.

CHAPTER TWO

LITERATURE REVIEW

The literature review is intended to explore donor funding practices in various development projects and specifically in the education sector in SSA. It will highlight how the notion of international development came about in general and will highlight the various controversies and debates surrounding funding and development issues. The literature review will further highlight what really drives donors to disburse funding to developing countries and the impact that they have on making a difference in the lives of many in developing countries.

2.1 History and theories of international development

Development theory is a conglomeration of theories about how desirable change in society is best to be achieved. Such theories draw on a variety of social scientific disciplines and it has been suggested that "the theory and practice of development is inherently technocratic, and remains rooted in the modern period of political thought that existed in the immediate aftermath of the Second World War" (Wroe and Doney 2000).

Thomas (2000) argues that the second half of the 20th century has been called the 'era of development'. The origins of this era have been attributed to: the need for reconstruction in the immediate aftermath of World War II, the collapse of colonialism and the establishment of new relationships between so-called 'developed' and 'underdeveloped' nations; and the start of the Cold War and the desire of the United States and its allies to prevent the Third World from drifting towards communism.

Thomas (2000), points out that the United States had already taken a leading role in the creation of the IBRD and the International Monetary Fund (IMF) in 1944 and the United Nations in 1945. The launch of the Marshall Plan was another important step in setting the agenda for international development, combining humanitarian goals with the creation of a political and economic bloc in Europe that was allied to the U.S. This interest was given conceptual support during the 1950s in the form of modernization theory espoused by Walt Rostow and other American economists.

One of the main assumptions of the modernization theory is that internal factors in the countries, such as illiteracy, traditional agrarian structure, the traditional attitude of the population, the low division of labour, the lack of communication and infrastructure are responsible for underdevelopment and a change of these factors is the strategy for development (Parfitt 2002, p. 23). This explains the motivation for developed nations' assistance to "help" developing countries escape the backwardness that they were in as they assumed that industrialized countries are the model for economy and society. They came up with suitable measures of achieving this one of which is through extending financial aid to developing countries to address the internal factors.

Parfitt (2002) further argues that the changes in the 'developed' world's approach to international development were further necessitated by the gradual collapse of Western Europe's empires over the next decades. By the late 1960s, the critics of modernization were advancing a dependency theory to explain the evolving relationship between the west and the third world. In the 1970s and early 80's, the modernists at the World Bank and IMF adopted

the neo-liberal ideas of economists such as Milton Friedman, which were implemented in the form of structural adjustment programmes, while their opponents were promoting various 'bottom up' approaches, ranging from civil disobedience to appropriate technology (Parfitt 2002).

One of the assumptions of dependency theory stipulates that external forces such as foreign assistance and any other means, by which the advanced industrialized countries can represent their economic interests abroad, are of singular importance to the economic activities within the dependent states (Parfitt 2002, p. 46). Dependency theory also assumes that there are two sets of states in the world: dominant and dependent. These assumptions still drive the development of various policies by the West, which are aimed at developing counties in order to bring about development even though the nature of policies has differed overtime. It seems to me that it is more often than not the case that developed nations seem to know what is good for developing countries rather than developing countries themselves and development ideas come from the west along with the money.

2.2 Debates on donor funding

There have been various debates and controversies around the issue of donor funding of development programmes and the motives behind providing this kind of funding to developing countries especially SSA. Szirmai (2005) attests to this by pointing out that the debate on development assistance has been complicated by a failure to distinguish clearly between the principles and moral motives underlying funding and the assessment of its effects and results.

According to Tisch and Wallace (1994) donor funding has received a lot of negative perception over the years. It is obvious that the effectiveness of donor assistance in a partner organization is affected by the nature of the institutional framework for its relations with the organization and other donors, and by its own internal rules and culture. In addition, different objectives and interests between donors, and organizations can impair funding effectiveness. Donor support can be obscure and unpredictable. The way funding is delivered can create an unnecessary burden on organizations, hinder efforts to build organizational capacity and weaken partner organization leadership and its accountability to its own staff and people. However, Szirmai (2005) argues that given the urgency of poverty issues and enormous gap between rich and poor countries, governments of rich countries have moral obligations to provide funding assistance and assumes that the effect of funding is positive. Szirmai (2005) gives various categories of motives for provision of funding: moral motives; mutual interests; commercial motives; and political and strategic motives. One of the questions that my study seeks to answer is what these underlying interests/motives that drive donors to disburse funds are in the case of the African Virtual University (AVU). The money usually comes with certain conditionality that may change the strategic objectives of the recipients.

World development report (1999) indicates that large number of funding to poor developing countries especially SSA finances various interrelated pro-poor development projects even though the effects of funding on the poor is difficult to judge. One of the reasons, Kanbur (2000) argues, is that sometimes external assistance for specific antipoverty projects indirectly finances other undertakings that may not help the poor. But some argue that projects on agriculture, basic infrastructure, health and education have reduced poverty in

developing countries, including SSA. According to world development report (1999, p. 69-70), projects intended to reduce poverty have been ineffective. First, there is lack of commitment: some poverty oriented projects are undertaken mainly to satisfy donors. Second, in the case of multilateral donors, they usually have a budget in a given fiscal year to fund projects and they often don't give much attention to the outcomes of these projects. Third, frequent shift in donor concerns also contributes to ineffectiveness as they overshadow the need for long term stable strategies.

This is especially so in SSA. Fourth, neglect of institutional development: reducing poverty through funding calls for more than money; building capacity is crucial. Donors have neglected the institutional and managerial aspects of poverty oriented projects and programmes. Fifth, inadequate participation: donors and recipients have often given little attention to the role of stakeholders in the initiatives designed to assist them. Their involvement in the design, implementation and evaluation of projects would make funding more effective. Hence, one of the aims of my study is to establish AVU's contribution and meeting of its goals in terms of increasing access to tertiary education in SSA despite conflicting donor interests. I think the above five points are very important because in the case of the AVU I am assuming that all the four points are applicable and through my study I will be able to either prove or disprove the points.

2.3 Tertiary education in SSA

Tertiary education in sub-Saharan Africa has been having too many setbacks since time immemorial partly because of the economic development of these countries. Things began to deteriorate in the late 1970s, as Africa began a slide into economic decline (World Bank 2000). According to the World Bank, regional output per capita dropped from about US$ 525 in 1970 to US$ 336 in 1997. The African governments more often than not had no sympathy for the universities, which traditionally serve as centers of social critique and political opposition. Governments accumulated large debts that had to be serviced with money that could otherwise have gone for education and other social services (World Bank 2000).

According to the World Bank and UNESCO (2000), state support declined continuously as tremendous increases in enrollments put added strains on institutions. The task force convened by the World Bank and UNESCO calculated that the number of higher education students in Sub-Saharan Africa increased almost ten-fold over two decades by 1995. Even so, a far lower proportion of young people are engaged in tertiary studies in Africa (with the exception of South Africa) than in any other region of the world. In the mid-1990s, less than 4 percent of African young adults were enrolled, compared to 10 percent in all developing countries and 60 percent in industrialized nations (World Bank 2000, p. 31). African universities also had educational content which is often not very relevant to the needs of the region. In addition, they developed into mass systems of lower quality which has not been accompanied by efforts to develop a range of degree programs better suited to countries' development needs.

Even though universities in SSA had been in a bad condition, during the last decade, many African countries have recognized the need to reform their tertiary education systems. The most remarkable reform has been in response to demand for increased access (World Bank 2000). In general, tertiary enrolment in Sub-Saharan Africa increased by over 260 percent during the past two decades (OECD 1998). This expansion has been achieved through exploding enrollments in public tertiary institutions, including the creation of new ones; and a rapid growth of private provision of tertiary education.

OECD (1998) argues that, as more and more Africans are becoming better educated and the demand for university education has risen especially in sub-Saharan Africa one problem still persists: the current state of universities is such that they can't accommodate all the students that pass high school and the ones that do are struggling from overcrowding. Rapid expansion of enrollments in public tertiary institutions in most cases led to decline in quality since it was not matched with commensurate increases in funding. At the same time, some of the private tertiary institutions being established are profit-oriented with little regard for quality. In a dozen countries, government response has been to establish quality assurance agencies. Countries and donor agencies are increasingly investing in alternative modes of learning to accommodate those students who normally don't manage to get into mainstream universities ranging from private universities to electronic and distance education. My study will look at whether or not AVU has managed to address this particular problem of overcrowding in public universities by allowing more and more students to enroll in the distance education programme.

2.4 Donor funding and tertiary education in SSA

According to Bloom et al (2006), for several decades, donor institutions especially the World Bank have placed great emphasis on primary and, more recently, secondary education in their development assistance to SSA. But they have neglected tertiary education as an added means to improve economic growth and mitigate poverty. Because of a belief that primary and secondary schooling are more important than tertiary education for poverty reduction, the international development community has encouraged African governments' relative neglect of higher education. For example, according to the World Bank report (2000) from 1985 to 1989, 17 per cent of the World Bank's worldwide education-sector spending was on higher education. But from 1995 to 1999, the proportion allotted to higher education declined to just 7 per cent. Higher education in Africa has suffered from such reductions in spending. Many African countries struggle to maintain even low enrolment levels, and the academic research output in the region is among the world's low.

Bloom D., Canning D., Chan K., (2006) point out that, in recent years, organizations such as the World Bank and major donor governments have begun to reconsider their exclusive focus on primary education and are now reaching out to secondary and tertiary education, as the balance between poverty reduction and growth promotion is adjusted within development assistance strategies. There are signs of progress for higher education in SSA, and some African countries have put in place innovative policies to strengthen tertiary education systems. My study shall assess the contribution of the AVU in regards to the increasing emphasis in higher education in SSA. My study will also draw a relation between the different interests of the donors and the fact that they regarded primary education more

important than tertiary education in SSA for a long time.

Bloom et al (2006) indicate that, from 1990 to 2006 the World Bank lent over US$6.1 billion for 245 education projects with tertiary education components in 94 countries. In the ten years from 1996-2006, Bank lending for tertiary education averaged US$343 million per year. In this support, SSA accounts for only 14% that indicates that more needs to be done for the continent.

According to Hickey and Mohan (1999), in the current decade, tertiary education is getting high recognition within the international development community. They are funding innovative mechanisms of delivering higher education. One of the ways is through distance and electronic learning. This is as a result of the potential benefits associated with an expanded use of distance education in Africa. If adequately managed distance education could enable an expansion of tertiary enrolments at a lesser cost per student than under the traditional residential campus system. Distance education also accommodates the growing demand for lifelong learning more easily than do residential programmes. It can effectively reach those learners who have been denied access to tertiary education.

2.5 Why distance education in SSA

According the World Bank and UNESCO (1998), the potential benefits associated with an expanded use of distance education in Africa are numerous. If managed efficiently distance education could enable an expansion of tertiary enrollments at a lesser cost per student than under the traditional residential campus system. Greater flexibility in the design and delivery

of curriculum content than is normally associated with classroom teaching enables distance education courses to adapt to specific student needs or work requirements, thereby enabling greater relevance. World Bank and UNESCO (2000), also emphasize that distance education also accommodates the growing demand for lifelong learning more easily than do residential programs. In addition, distance education effectively reaches those learners who have been denied access to tertiary education; for example, women who are unable to attend traditional educational programs because of household responsibilities or cultural constraints, economically marginalized groups, refugees, and the incarcerated. For instance, the AVU has developed a learning architecture that emphasizes that using only high end technological contexts to support Open Distance and e-Learning programs in Africa is ineffective. Instead, a mix of delivery methods that includes both low end and high end delivery technologies are required that cater for various groups of potential students who have or don't have access to high end technology.

Distance learning programmes at the post-graduate level, delivered by universities in the developed world through the internet and supported by on-line virtual libraries, are increasingly available to self-motivated students in Africa who seek post-graduate qualifications. For instance, the AVU started by brokering overseas content via satellite to students who opt for overseas degree but situated in Africa. Hence, distance education is the most modern form of educational delivery and is a 20th century invention based on organizational structures and technologies produced by the industrial revolution.

OECD (1998) argues that in the past, distance education was often viewed as inferior by much of the traditional academic community because it tends to have lower graduation rates and less direct interaction between teacher and student. Today, this no longer needs to be the case. Experience accumulated worldwide is contributing to more effective programme design. It has repeatedly been demonstrated that there is no significant difference in student performance according to the teaching methods employed. The choice of medium for educational delivery therefore depends mainly on the specific circumstances of the learning situation. However, mixed media teaching has been shown to have greater learning impact than single media approaches. It is becoming common for well designed distance learning materials to be used by lecturers and students in the classroom, thereby providing a boost to the quality of classroom instruction. These benefits have made tertiary distance education the world's fastest growing educational sector (OECD 1998).

2.6 Africa's experience with distance education

According to the World Bank and UNESCO (2000), even though distance learning including the application of modern technology is developing rapidly, the concept of distance learning is not new for tertiary institutions in SSA. For instance, in Anglophone Africa, the University of South Africa began in 1946 as a correspondence university and has evolved into one of the world's largest open distance learning universities. Since the 1960s, Botswana, Kenya, Malawi and Zambia have used distance education for teacher training and by 1985, the Anglophone countries of Africa contained 25 state-funded distance education institutions (World Bank 2000). The first francophone experience in distance learning involved correspondence courses offered in 1970 by Marien Ngouabi University in Brazzaville.

During the 1980s and 1990s teacher upgrading through distance education programs has been undertaken in Benin, Burkina Faso, Burundi, Cameroon, Central African Republic, Côte d'Ivoire, Mali and Togo (World Bank 2000). During the 1990s, over 140 public and private institutions currently provide tertiary distance education services within Sub-Saharan Africa (OECD 1998). These programs rely mainly on print media, supplemented by written assignments and face-to-face tutoring. Some of them have also made creative use of national broadcast radio, audio cassettes in recent years.. Today the landscape of distance education in Africa is changing rapidly. Experimentation with various distance learning methods is underway in a number of countries. New information and communications technologies are contributing to these changes. The provision of distance education based on satellite transmission and interactive e-mail has been and proved to be doable by the African Virtual University, project sponsored by the World Bank (World bank 2000).

Initiatives such as the AVU are proving to be viable alternatives to tertiary education in the present time where information technology has permeated almost all forms of economic activities contributing to sustainable development. Such initiatives should be given the appropriate attention if one of the millennium development objectives of increasing literacy in Africa is to be met. Donor agencies are increasingly providing immense resources to improve tertiary education situation in SSA. But these immense resources don't come problem free. It is important to undertake this study for the main reason of distance learning becoming the revolutionary form of tertiary education in the African continent. This study will show in the subsequent chapters the importance of distance education and the consequences of inefficient management and misallocation of resources on beneficiaries of

such initiatives. In addition, the study will shed light on donor funding practices on such type of initiatives and the resulting impacts and will serve as a blue print on the do's and don'ts regarding donor funded projects or programmes.

CHAPTER THREE

RESEARCH METHODOLOGY

The primary aim of this research was to assess how the AVU functions to achieve its development goals while balancing out different interests of its stakeholders. The achievement of this aim entails answering several questions related to various interests of stakeholders, and how these affect the AVU in setting its objectives and programmes and in turn how these interests affect the AVU in achieving its overall development goals. The study was a qualitative study and used qualitative and quantitative methods to answer the questions.

3.1 Method of data collection

The initial plan was to use in-depth interviews as the main form of primary data collection but as the result of the changes that had taken place within the organization, primary data collection was supplemented using structured questionnaires. The questionnaires were administered by the researcher while in Nairobi and this was further supported by informal discussion with some of the staff members. Questionnaires were distributed to two acting managers viz marketing and the CEO, three senior programme officers i.e. in marketing, business development and finance, four programme officers viz partnership, education, one ICT consultant, and one executive assistant. . Using the questionnaire, insightful information with regards to how the AVU actually functions and what measurements it has taken to overcome the challenges posed by the differences of interests of the stakeholders was established. The senior management team and staff are involved in setting objectives, strategies and set the overall direction of the AVU. They are also the ones that are involved

in high level discussions with stakeholders like the universities and donors and have first hand information on what the interests of the stakeholders are.

Having worked there before as a programme officer, I had worked directly with the other programme officers and developed a good working relationship. This had given me a chance to get answers that I may not have gotten from the senior management team and staff through general discussions about the organization. This has supplemented the questionnaire. The four programme officers also have direct contact with students and they had given me their views on what the needs of the students are.

3.2 Sampling method

The research focused on a multi-donor funded educational organization based in Nairobi, Kenya. The researcher had worked in the organization for 2 years, from January 2005-December 2006. There were a total number of 30 staff members as of December 2006 but as a result of massive restructuring the number of staff went down to 15 by the time the research was conducted in November 2007. So this was a census study and the whole population was used as a sample. A census is a sampling methodology where by the whole population is taken as a sample because of the small nature of the population.

3.3 Documents used

In addition secondary literature documents have been used apart from the questionnaire. The researcher had looked at various documents to get more background information on the AVU. These documents among others included annual reports, quarterly reports, AVU

business plan, board papers, and donor reports.

3.4 Procedure

The researcher had informed the participants of her travel plans to Nairobi and agreed with them before hand the time and place where the questionnaires would be administered. The researcher administered the survey questionnaire while there and came back with it to do her analysis. The survey questionnaires were distributed to the staff after briefing on the ethical consideration and confidentiality and the right to withdraw from the study or abstain from answering the questions..

3.5 Data analysis

The first step in the data analysis was to clean and organize the data for analysis, i.e. classify and tabulate the information collected from questionnaires. The data was then analysed using descriptive statistics because of its qualitative nature. In addition a frequency table had been drawn up to allow easy tallying of the responses. The respondents were classified according to their position and responsibilities and responses were analysed with respect to these categories. The tabulated information was presented in form of percentages and diagrams (tables, charts and graphs) and the pattern was scrutinized to determine the perceived interests, and the effects on objective setting and management.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.1 Introduction

In this chapter data from the completed questionnaire was summarized and presented in tables, graphs and charts. The research was conducted in Nairobi, Kenya in November 2007. The African Virtual University (AVU) has a total of 15 staff. The entire population was taken for the study and a total of 15 questionnaires were distributed, out of which 11 were filled in and returned to the researcher for data analysis. This gave an overall response rate of 73%. In addition, an informal interview was conducted with some of the staff members while administering the questionnaires.

This chapter comprises of four main sections of the questionnaire: The first section focuses on background information. The second section focuses on the main objectives of the AVU, perceived interests of the main AVU stakeholders and how the perceived interests affect the setting of the AVU objective. The third section focuses on the management and the role it played in balancing out different interests of stakeholders to achieve the organization's objectives, Finally, the fourth section focuses on AVU's contribution to tertiary education in Africa and how that has been affected as a result of the varied stakeholder interests.

4.2 Section A- Background Information

4.2.1 Position of respondents

	Senior programme officer	Programme officer	Acting manager	Executive assistant	Consultant
No of Staff	3	4	2	1	1

The above table shows the positions of the people who responded within the organization. Responses included 45% of respondents who are at senior level, including acting managers and senior programme officers. Where as 36% of the responses came from people who are dealing with the day to day implementation of the AVU objectives.

4.2.2 Years of service

	0-2 years	3-5 years	More than 5 years
Years of service	6	3	2

The above table shows how many years of the service that the respondents had given to the AVU. A total of 54% of the respondents have been there for 2 years, 27% have been there for 3 or 4 years where as 18% has been there for more than 5 years.

4.2.3 Responsibility

Responsibility	Number of People
Executive Assistant	1
Business Development Specialist	1
Finance Officer	1
ICT Specialist	1
Marketing Specialist	2
Education Specialist	4
Partnership Specialist	1

The above table shows the responsibilities of the respondents within the organization. The varied responsibilities depict the different level of staff involvement with various stakeholders. For instance the executive assistance deals with the board of directors almost on a daily basis. The business development specialist deals more often with the various donors regarding funding issues. The finance officer deals with donors as well as universities for collection of students' fees. The marketing and education specialists deal directly with students and universities while the partnership specialist deals with the AVU stakeholders across the board. In addition, the ICT specialist has a role of assisting students as well as staff members with ICT related matters.

4.3 Section B- Stakeholder Information and Perceived Interests

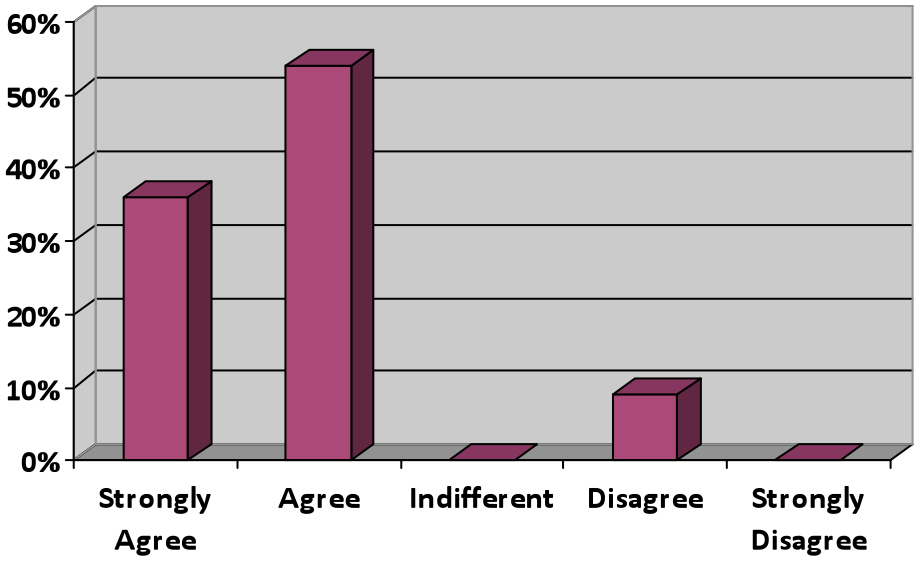
4.3.1 Main AVU stakeholders

	Most Influential	Influential	Indifferent	Less Influential	Least Influential
Donors	10	-	1	-	-
African Universities	2	1	5	3	-
Students	1	2	-	2	6
Board of Directors	11	-	-	-	-
AVU Staff	3	4	3	-	1

In the above table ranking is done on a 5 point scale with 1 taken to be the most influential and 5 taken as the least influential. As it is shown on the above table 100% of the respondents think that board of directors of the AVU are the most influential stakeholders within the organization. The board of directors of the AVU is responsible for the general direction that the AVU takes therefore has a major impact on where the organization is going. A further discussion with the respondents also revealed that the reason the board of directors is the most influential stakeholders is that some of its members affiliated with the World Bank, the main donor of the AVU and they exert a lot of pressure on the organization to take the route that the Bank envisions. This is closely followed by the donors, where 90% of the respondents acknowledged that the donors are the second most influential stakeholders of the AVU for the main reason that they provide seed money for the running of the organization.

Further more 27% of the respondents think that AVU staff is most influential where as 36% of the respondents think that AVU staff is influential in shaping the direction of the AVU. Two out of the eleven respondents (18%) claim that African Universities have the most influence where as 5 (45%) and 3 (27%) respondents are indifferent and think African universities play a less influential role respectively. With regards to students and the level of influence that they have on the direction of the AVU, 72% of the respondents think they are either less influential or not influential at all. What this percentages show is that the sole beneficiaries of the AVU program i.e. students and universities are the least consulted and the least influential when it comes to setting the main goals and objectives of the AVU.

4.3.2 Perception of the level of influence of the stakeholders affecting negatively the setting of the AVU objectives



The above chart shows the impact of the level of influence in the setting of the AVU overall objectives. A total of 4 (36%)out of the 11 respondents strongly agreed that the higher the level of influence the more negative impact it has on the setting of the AVU objectives. A discussion with the staff members revealed that the board of directors have not been very keen and interested about the AVU achieving its mission and vision. A further 54% of respondents agreed that the objectives of the AVU have been affected as the most influential stakeholders (Board of Directors and Donors) usually dictated the terms of operation. Having worked there for 2 years in the partnership section of the organization, I also had witnessed that at every meeting of the Board of Directors, the organization changed its objectives according to what members thought was a viable direction.

4.3.3 Perceived agenda/interest of the stakeholders

With regards to the perceived interests of various stakeholders respondents 63% of the respondents reiterated that donors' interest is to disburse money to the organization and in the process influence how money should be spent. Out of the 11 respondents, 2 (18%) said that the main interest of the donors is to provide development assistance through increased access to training and education programs in Africa. With regards to African universities 54% of the respondents claim that African universities wanted to solve the problem of access to tertiary education on campus hence they provided material and staff assistance. Furthermore 18% thought that the universities were the main owners of the programs. With regards to students, almost all the participant claimed that students are the main beneficiaries of the programs and their interest is simply to get access to affordable, quality tertiary education alternative. With regards to the board of directors, 72% of the respondents said that their real interest is to go

along with the World Bank and are not really interested in the objectives of the AVU.

4.3.4 Perception of the AVU's objectives and strategies vs. varied interests of stakeholders

Ratings	Frequency	Percentage
Agree	6	54%
Strongly Agree	4	36%
Indifferent	-	-
Strongly Disagree	-	-
Disagree	1	9%

The above table shows that 54% of the respondents agreed that the setting of the AVU objectives, strategies and programmes are indeed affected as a result of varied interests of the stakeholders. A further 36% of the respondents strongly agreed indeed varied interests of stakeholders affects the setting of objectives, strategies and programmes where as 9% of the respondents did not see the connection between the varied interests of stakeholders and the setting of AVU's objectives, strategies and programmes.

4.3.5 Perception of the AVU's objectives and stakeholder participation

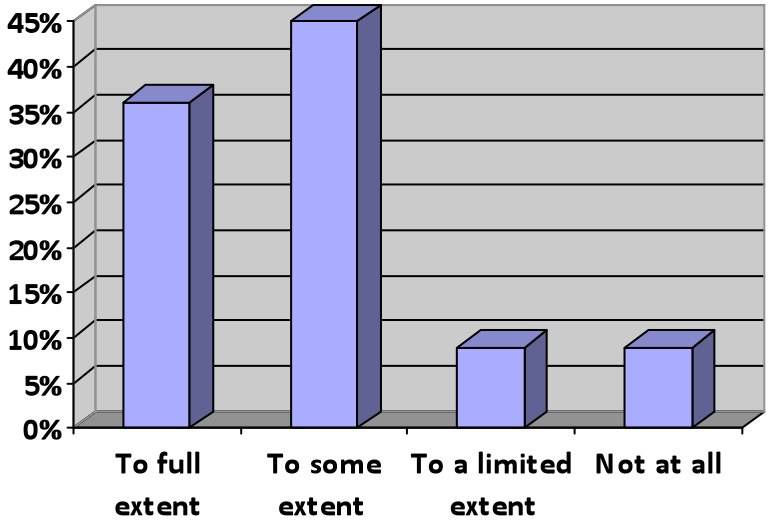
Rating	Frequency	percentage
Agree	1	9%
Strongly Agree	2	18%
Indifferent	1	9%
Strongly Disagree	3	27%
Disagree	4	36%

The above table depicts whether or not the AVU's objectives are set in a participatory manner. A total of 63% of the respondents strongly disagreed and disagreed that the objectives of AVU are set in a manner that ensures equal stakeholder participation. Where as 27% of the respondents claim that AVU actually ensures equal participation of stakeholders. But 9% of the respondents were indifferent.

4.3.6 Communication with stakeholders

Respondents were asked if they often communicated with at least one of the AVU stakeholders in day to day operations and 72% acknowledged that they do interact, whereas 27% said that they rarely communicate with stakeholders. Further discussion with the staff revealed that they communicate with the students and universities on practical issues such as fee collection, submission of reports etc and not on feedback from these particular stakeholders on AVU's activities.

4.3.7 Level of communication



The above table shows the level of interaction that the various staff has with the stakeholders in their day to day operation to ensure the inputs of stakeholders are taken into consideration. Out of the 11 respondents 4 (36%) acknowledged that they interact with one of the stakeholders. On the contrary 45% of the respondents revealed that their interaction with one of the stakeholders is only to some extent where as 18% admitted that they either have no interaction altogether or its very limited.

4.3.8 Perception of stakeholder interests have been in line with the AVU's objectives

Rating	Frequency	Percentage
Strongly Agree	3	27%
Agree	1	9%
Indifferent	1	9%
Strongly Disagree	2	18%
Disagree	4	36%

The above table shows that 36% of the respondents claim that the various stakeholder interests have been in line with the AVU objectives. On the contrary 54% of the respondents strongly disagreed or disagreed that the AVU objectives have been line with stakeholder interest. A further conversation with the respondents revealed that more often then not the most influential stakeholders such as the bank and board of directors normally dictate the terms and conditions of operation.

4.4 Section C- The AVU Management

4.4.1 Perception of management success in balancing out stakeholder interest

Rating	Frequency	Percentage
Strongly Agree	1	9%
Agree	-	-
Indifferent	2	18%
Strongly Disagree	6	54%
Disagree	2	18%

From the above presentation it is clear that the AVU management has not been successful in balancing out the different interests of its stakeholders accounting for 72% percent of the responses. Whereas 9% of the respondents still think that the AVU management has managed to balance out the different interests of the stakeholders. Another 18% of the respondents were reluctant to give their views on issues regarding the management of the AVU.

4.4.2 Perception of the AVU management's success in achieving organizational objectives

Rating	Frequency	Percentage
Agree	4	36%
Strongly Agree	1	9%
Indifferent	1	9%
Strongly Disagree	3	27%
Disagree	2	18%

It is evident from the above table that some respondents thought that the management of the AVU has been successful in achieving organizational objective accounting for 45% of the responses. At the same time another 45% of the respondents either strongly disagreed or disagreed that the AVU management has had success in accomplishing the organization's objectives. A further conversation with the respondents revealed that the reason that they thought management has not been successful is that there was no clear direction provided and more often than not the management was arm twisted to execute what the board wanted. This

made the organization lack specific focus as objectives were changing frequently.

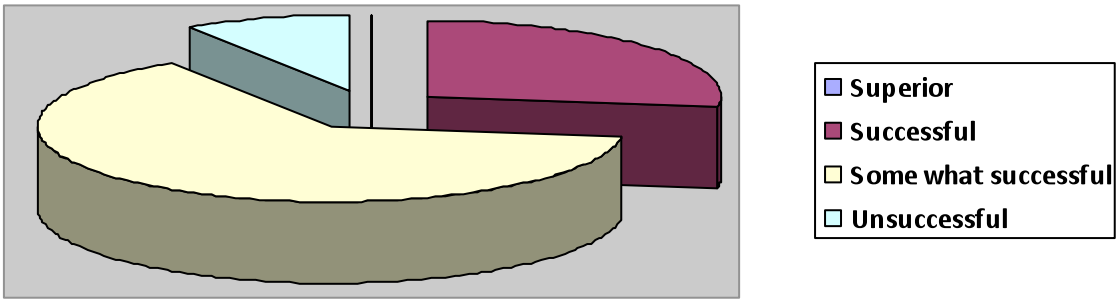
4.4.3 Perception of the effect of varied interests of the stakeholders on management

Ratings	Frequency	Percentage
Agree	3	27%
Strongly Agree	5	45%
Indifferent	-	-
Strongly Disagree	1	9%
Disagree	2	18%

In the above table respondents stated, accounting for 72% of the responses that the varied interests of the stakeholders especially that of the board and the donors has indeed affected the style of management. This is due the reasons mentioned above. But still 27% of the respondents think despite varied interests of the stakeholders, the management of the AVU has not been affected.

4.5 Section D- The AVU and Tertiary Education

4.5.1 Perception of the AVU's contribution to tertiary education



The above pie chart depicts whether or not the AVU has been successful in contributing towards tertiary education in Africa. Out of all respondents 63% think that despite the challenges the organization faced as a result of conflicting interests, it has been somewhat successful in contributing towards tertiary education. However 27% of the respondents claim that the AVU has been successful contributing towards tertiary education in Africa. Yet another 1% does not think that the AVU has been successful at all.

4.5.2 Perception of the ways in which the AVU made a difference in tertiary education

Rating	Yes	No	To some extent
Increase in Enrolment	18%	18%	64%
Increase in graduates	18%	18%	64%
Delivery of quality education	18%	18%	64%

From the above table it's clearly depicted that AVU's contribution towards tertiary education

in Africa has been rated as somewhat successful accounting for 64% of the responses in the different areas i.e. increased number of student enrolment, increased number of graduates and delivery of quality education. A further discussion with the respondents revealed that out of the many programmes that the AVU is running concurrently some of them, such as the current teacher training programme has been somewhat successful but not all the programmes. Those who acknowledged that the AVU has made a difference to some extent point out that the AVU has helped Africa to see distance education as a viable option of tertiary education. Those who claimed that the AVU has not made a difference at all both in increasing enrolment, increased number of graduates or delivery of quality education pointed out that the AVU lacked focus and has not had clear and specific objectives. More often than not the objectives were altered every quarter depending on what the board had in mind. The process of changing objectives regularly affected the implementation of already started projects.

4.5.3 Areas of the AVU efforts that have been successful

Most of the respondents (over 60%) acknowledged that the AVU has been successful to some extent. The respondents thought in general the AVU has been instrumental in helping most African universities see distance education as an alternative to tertiary education. The AVU works in partnership with African universities and is located within the mainstream universities. Initially these universities saw the AVU as competition. But with proper marketing and communication, the universities became valuable partners to the AVU and provided learning space and technical staff to the AVU. In addition, they reckon that the AVU has built strong network of universities across Africa. In addition the AVU has been

successful in developing educational content in multiple languages using professors from Africa. The AVU currently is also undertaking a teacher education programme funded by the African Development Bank. The project entails the development of a curriculum in partnership with 10 African universities and respondents agreed that the project is somewhat successful.

Regarding the areas that need improvement, 95% of the respondents claimed that the AVU needs strong and visionary management. They also reiterated that the AVU needs to be more focused and clear when it comes to setting of objectives.

4.5.4 AVU's contribution towards tertiary education vs. interests of the stakeholders

Out of the 11 respondents 9 (81%) claimed that the AVU's contribution towards tertiary education has been affected as a result of varying interests of stakeholders. For instance the AVU's board of directors has not been in tandem with the agenda of the AVU. The board of directors as one respondent put it "they wanted a free ride masked as interest in higher education". This has had huge implication when it comes to meeting the organization's objectives. Respondents claimed that the AVU did not have strong and committed management to fight against conflicting interests. Furthermore, respondents pointed out that donors have not been consistent and changed the direction they want the AVU to take quite regularly with no objection from the AVU since they provide seed money for the organization's operation.

4.5.5 Perception of the AVU's management and success of the organization

Rank	Agree (%)	Strongly Agree (%)	Indifferent (%)	Strongly Disagree (%)	Disagree (%)
The AVU has been able to meet its overall development goals	9%	-	27%	18%	45%
The AVU management played a key role in meeting its objectives despite its varying stakeholder interest	27%	-	18%	9%	45%
Despite varying stakeholder interests/agenda, strong institutional arrangements ultimately contribute greatly towards an organization meeting its development goals	54%	36%	-	-	9%
The AVU has had strong institutional arrangements that contributed to its success	9%	-	18%	27%	45%

The above table shows that in general the AVU has not been able to meet its overall development goals accounting for 63% of the responses comprising of those who disagreed and strongly disagreed. With regards to the AVU management playing a key role in meeting the organization's objectives despite varying stakeholder interests, 54% of the respondents pointed out that the AVU management has not been able to play key role as expected therefore they reiterated management failure, where as 27% agreed that management has

been able to play key role. In answering the question whether or not strong institutional arrangement ultimately contribute towards an organization meeting its development goals, 90% of the respondents affirmed that indeed strong institutional arrangements make a huge difference even if there are varying stakeholder interests whereas only 9% thought on the contrary. Finally, 72% of the respondents are of the opinion that the AVU has not had strong institutional arrangements that contributed towards its success.

CHAPTER FIVE

SUMMARY AND CONCLUSION

5.1 Introduction

In this chapter, the findings of the research have been summarized and discussed in relation to the objective of the study and in answering the key research questions and hypothesis. Included also are the conclusions and recommendations, the limitation of the study and areas for further research.

The study sought to answer three questions

1. What is the perceived understanding of the key interests of the stakeholders of the AVU?
2. How are the setting of the AVU's objectives, strategies and programmes; and management of the organization affected/enhanced as a result of the perceived understanding of stakeholder interests?
3. What is the perceived understanding of how the varied interests affected AVU's contribution towards tertiary education in SSA?

In addition the study sought to falsify or prove two hypotheses

1. That the AVU has been able to meet its development objectives as a result of its quality management despite varying stakeholder interests
2. Despite varying stakeholder interest, strong institutional arrangements ultimately contribute greatly towards meeting development goals

5.2 Summary of findings

The study was undertaken to establish the perceived interests of the various AVU stakeholders, how the varied interests affected the AVU management and ultimately AVU's contribution towards tertiary education in Africa. The current AVU staff members are 15 and a total number of 15 questionnaires were distributed, out of which 11 were filled and returned. The staff members that responded comprised of 2 acting managers, 3 senior staff members, 4 programme officers, 1 executive assistant and 1 consultant. Their responsibilities range from business development, marketing, finance, partnership, education to information technology.

In general all the respondents (100%) unanimously decided that the AVU's board of directors are the most influential stakeholders of the AVU. This is followed by 90% of the responses from people who think that donors are the second most influential stakeholders. The AVU staff takes the third place followed by African universities and lastly by students. A discussion with some of the staff members revealed that students and African universities are the main beneficiaries of the AVU programmes and projects but with the least voice and participation when it comes to setting of objectives. Hence, the setting of AVU's objectives is more skewed towards what the powerful group wanted.

With regards to the perceived interests of the AVU stakeholders, the board of directors were perceived to have been less interested in distance learning and the AVU's contribution towards that. They merely echoed what the World Bank said and enjoyed the perks of being on the board of directors. The donors were perceived to have been interested in disbursing a

certain amount of money and dictated the terms and conditions of how the money should be spent. Respondents claimed that no time was taken to study what the real beneficiaries wanted or said. They claimed the kind of management exercised was simply top down. The African universities were perceived to be owners of the programmes and providers of technical support. The staff members acknowledged that universities were keen in working in partnership with the AVU. The main interest of the students is access to quality education and all the respondents pointed out the same.

The AVU objectives, strategies and programmes have been affected as a result of the varied interests of the stakeholders. This was supported by 90% of the responses. The respondents claimed that the AVU has not been participatory in nature and that the main beneficiaries of the programme, i.e. African universities and students, were not consulted on what they want before coming up with objectives and strategies. I can attest to this point as I had a chance to work with the organization before. Students, as beneficiaries could have a say on what kind of courses they want. For instances, my department had conducted a market survey in four African countries trying to find out the most demanded courses. The market survey clearly showed in terms of priorities the kind of courses that the students wished to have. But after the study had been done none of the students suggestions were taken into consideration as it meant more money and shift of focus from what the donors envisioned. The board of directors and the World Bank have been very influential and this made the AVU change objectives regularly depending on what they wanted. This has affected the management of the organization because it was not able to balance the different interests and come up with viable solution and this was supported by 72% of the responses. Most staff members are

upset because they are in direct contact with students and universities and experience first hand what the beneficiaries are unhappy about. These concerns of staff members were brought forward to the AVU management but no action had been taken from the management side as it meant convincing the AVU board of directors and donors to shift focus. In the process the main beneficiaries (students and African universities) were left out. They simply received what was given to them which in most cases did not suit their needs as acknowledged by 54% of the respondents who said that stakeholder interests are not line with the AVU's objectives. A discussion with some of the staff members revealed that it was difficult to ascertain whether or not the students that graduated in 2005 were able to find employment easily as the variety of the courses given were limited and not unique. In most cases the market is already over flooded with students who got the same qualifications with full time residential programmes.

With regards to AVU's contribution towards tertiary education, 63% acknowledge that the organization has been somewhat successful in certain aspects. A further discussion with the respondents concluded that in general as the result of lack of strong management the organization lacked focus and faced implementation challenges. The discussion also revealed that donor money was not utilized properly and the organization did not have enough money to sustain some of the programs and staff members. This has led to the reduction of staff members by half to about 15.

In general over 60% of the respondents claim that the AVU has not been able to meet its overall development objective even though it has had some success in certain areas. This was supported by a discussion with some of the staff members as well as from my own experience. For instance, the AVU has not been able to increase enrolment of students in the major degree and diploma programmes. This is because it deemed the brokering of content from foreign universities unviable and expensive and yet the market survey indicated that students clearly were interested in foreign degree programmes. Secondly, the AVU was faced with mismanagement of donor funds and some of the donors had to pull out which exposed the organization to retrenchment and restructuring which led to the organization diverting its attention to internal problems and neglecting the students. As a result of this money crisis students that were already enrolled could not be sustained through to completion of their education. After a lot of back and forth they had to be absorbed into the mainstream university which was a difficult mission as the mainstream universities suffered from overcrowding in the first place. This proves the first hypothesis wrong. They also reiterated that the AVU management has not played the role it was supposed to in leading the organization to success. Moreover 90% of the respondents agreed that it is possible for a multi donor funded organization to meet its overall development goals if it has strong management that is able to balance the interests of various stakeholders. This finding proves the second hypothesis right.

Some of the areas out by over 60% of the respondents that the AVU has had success in include improving the connectivity in some African universities as this is the challenge faced by many African universities. This entailed addition of computers in the main universities

and also negotiating with organizations in the US such as Intelsat to increase the bandwidth for a faster and better internet connection. In addition the AVU has managed to create awareness about online and distance learning which was evident in a lot of universities embracing this choice in combating space issues even thought this was not AVU's main goal. Its main goal of enhancing capacity in African universities has not bore much fruit. In addition AVU helped Africa to see distance education as a viable educational option. It is also trying to develop educational content in multiple languages using professors from Africa.

5.3 Recommendation

Donor funding has been an effective tool of promoting development in SSA through funding of various development projects. But it does not come without problems. Even though it has resulted in positive impacts in some sectors, it also posed considerable challenges for other sectors such as education. Some of the challenges are related to varying interests between the donors and other stakeholders, which impacts on the successful implementation. Education is currently regarded as one of the main avenues of promoting economic development in Africa and should be given considerable attention. On the other hand donors should be mindful of their interests and conditionality and show more commitment towards the continent in funding such initiatives.

The finding of this study brought out the importance of management regarding donor funded programmes. It brought out issues regarding conflicting interests of multiple stakeholders within an organization. It is clear from the finding that management plays a very important

role in balancing out conflicting interests so that the organization can be able to achieve its goals and objectives. This explains why the AVU has not been able to achieve its overall goal. The study concluded that strong management is of paramount importance and makes a huge difference when it comes to implementation of programmes. Committed and visionary management also plays a major role in making sure that objectives are set in a participatory manner.

1. Objectives should always be set in a participatory manner. In this case the main beneficiaries, students and African universities should be consulted on a continuous basis to really find out what their requirements are since they are paying to undertake the courses being offered.
2. The objectives set must be prioritized and trimmed down to make them more attainable and realistic. One of the problems of AVU has been lack of focus as there have been too many conflicting objectives.
3. There should be effective monitoring and evaluation systems put in place so that it is possible to track activities down for effective implementation of the set objectives.
4. Donors should be more sensitive towards these organizations and somehow take time to understand what happens on the ground. Disbursing money and dictating the terms and conditions of operation do not help achieve development goals unless the real needs of beneficiaries are catered for.

5.4 Limitation of the study (This was put here to list down and account for (in detail) the number of limitations encountered with regards to the various elements of the study)

The study focused on a multi donor funded educational organization based in Nairobi, Kenya. The research methodology that was initially going to be used was an in-depth interview with 12 senior members of the organization. By the time the research went to Nairobi to collect the data, there were so many changes within the organization that had taken place. The staff number reduced from 30 to about 15 as a result of massive retrenchment. The researcher had to change the data collection method to a questionnaire as the changes were inconvenient to conduct an in-depth interview. A total of 15 questionnaires were administered and 11 were filled and returned back.

5.4.1 Research design

One of the limitations of this study is the issue of generalizability. Since this was a case study and focused on one organization, it may not be adequate to draw one conclusion across several organizations dealing with donor funding. However, the study is believed to have shed insights into how donor funded organizations function and some important lessons can be drawn in how to manage donor funded programmes.

5.4.2 Sampling

Some of the staff members especially senior staff members were a bit hesitant to give accurate information especially to the questions regarding efficiency/inefficiency of management contributing to the success/failure of the programme. But an indirect persuasive

approach was employed to engage respondents in a general discussion about the organization that revealed as much information as possible.

5.4.3 Data collection

In terms of data collection, the limitation has been time. The researcher had to solicit information as quickly as possible before her return back to Johannesburg. In addition, the researcher faced challenges in getting respondents to fill the questionnaires as quickly as possible as respondents appeared to be pre-occupied with many other duties. This may have affected the quality of responses as some of them had to rush at the last minute to fill in and give back the questionnaires. There were some respondents who sent the questionnaires back via email as they were to busy to hand a copy while the researcher was in Nairobi.

5.5 Areas for further research

The study focused on the perceived interests of AVU stakeholders, how that affected AVU overall objectives, and the role of management in balancing out various interests. Electronic and distance learning is increasingly become a viable option to accommodate students who do not manage to get to mainstream universities and is also providing a great alternative for students to get foreign degrees without having to leave their countries. This is a concept that should be nurtured to solve some of the development challenges facing developing countries and especially SSA. Education is one of the major avenues that contribute to sustainable development and donors that are funding similar initiatives should really take time to study needs on the ground and work in close collaboration with recipient organizations for successful implementation of such programme. Thus a similar study can be conducted focusing on donor organizations to establish what drives them to fund such and similar

initiatives and how they ensure accountability and success of funded projects and programmes.

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APPENDIX 1 Ethical consideration

Even tough I was familiar with the organization; I sent an official request letter to the CEO of AVU informing him of the research that I would be conducting for my master's degree and if he would be willing to avail himself and the rest of his staff for interview. In this letter I emphasized that the organization is under no obligation to participate in the study and is entitled to stop me from undertaking this research.

I also volunteered to submit the final report to the organization once I am through with the overall research. Having worked there, I knew this kind of study is of paramount importance for the organization as it strives to document AVU's performance thus far and lessons learnt for future endeavours.

The other staff who participated in the survey also received briefing during an arranged time in order to clarify the ethical considerations and answer any questions that any of the participants may have.

The confidentiality and anonymity of the participants was ensured by insisting that no names are written on the questionnaires as well as by putting procedures into place that provide for the anonymous return of questionnaires.

APPENDIX 2

Specimen letter to the acting CEO

Dear Sir,

I am doing my masters degree in Development Studies at the University of Witwatersrand, Johannesburg, South Africa. I wish to carry out an assessment of donor funding practices and their potential impact on achieving development objectives of recipient organization. I would like to use the AVU as a case study for this study as it is a very good example of multi-donor funded development programme. Having been there for two years will also give me an edge in the research as I am familiar with AVU's activities. I therefore kindly request you to allow me to do this research at the AVU in November 2007 to facilitate the collection of the necessary data. This information is sought purely for academic purposes and I assure you of strict confidentiality. I will also submit the final document to the AVU once everything is finalized. In addition, any of the staff members including yourself shall withdraw from this exercise any time should you wish to do so.

Yours faithfully,

Helina Ayele Tirfie

University of Witwatersrand

Faculty of Humanities

Appendix 3

RESEARCH QUESTIONNAIRE

SECTIONN A

General information

1. Position within the organization
2. How long have you been working at the AVU?
3. What is your overall responsibility?

SECTION B

Perceived stakeholder interest and the AVU objectives

4. What are the main objectives of the AVU?

5. Please rate (1-5) the main AVU stakeholders according to their level of influence the objectives, starting from the most influential. (1= most influential, 5= least influential).A Tick where appropriate.

- Donors
- African universities
- Students
- Foundations
- AVU staff

6. The level of influence of the above stakeholders negatively affects the setting of the AVU overall objectives.
    - Agree
    - Strongly agree
    - Indifference
    - Strongly disagree
    - Disagree

7. What is your perceived understanding of the interests/agenda of the AVU stakeholders?
    - Donors
    - African universes
    - Students.
    - Foundations
    - Others

8. The setting of the AVU's objectives, strategies and programmes are affected as a result of varied interests of the stakeholders (donors, universities, students, AVU staff)
    - Agree
    - Strongly agree
    - Indifference
    - Strongly disagree
    - Disagree

9. The AVU objectives have been set in a manner that ensures equal stakeholder participation.

- Strongly agree
- Agree
- Indifferent
- Disagree
- Strongly disagree

8. Within your position do you interact often with one of the stakeholders to ensure their input? Tick where appropriate.

Yes

No

If yes, to what level?

11. Key stakeholder interests have been in line with AVU's overall direction.

- Strongly Agree
- Agree
- Indifference
- Disagree
- Strongly disagree

SECTION C

The AVU management's success

12. The AVU management has been successful in balancing out its stakeholders' interests in setting of its objectives and strategies

- Agree
- Strongly agree
- Indifference
- Strongly disagree
- Disagree

13. The AVU management has been instrumental in achieving its organizational objectives

- Agree
- Strongly agree
- Indifference
- Strongly disagree
- Disagree

14. The management of the organization has been affected as a result of the various stakeholder interests.

- Agree
- Strongly agree
- Indifference
- Strongly disagree

- Disagree

SECTION D

AVU's contribution

15. The AVU's contribution to tertiary education in Africa has been

    - Superior
    - Successful
    - Somewhat successful
    - Unsuccessful

16. In your opinion has the AVU made a difference in tertiary education in Africa in terms of:

    A. Increase in student numbers. Yes, no, to some extent

    B. Increase in the number of students who graduated. Yes, no, to some extent

    C. Delivery of quality education in the last 10 years of operation, despite the differences in interest/agenda of its various stakeholders. Yes, no, to some extent

17. If the answer to the above is no, why?

18. What are the areas of AVU's efforts that have been successful? And what needs improvement?

19. How have varying interest of AVU stakeholders affected AVU's contribution towards

tertiary education in SSA?

E. Please tick in the appropriate column (1-5) (1= Agree, 2= strongly agree, 3=Indifferent, 4= Disagree, 5=strongly disagree

Rating	A	SA	I	D	SD
20. The AVU has been able to meet its development objectives					
21. The AVU management played a key role in meeting its objectives despite its varying stakeholder interest.					
22. Despite varying stakeholder interests/agenda, strong institutional arrangements ultimately contribute greatly towards an organization meeting its development goals.					
23. The AVU has had strong institutional arrangements that contributed to its success					