

# The Effects of Cost-Sharing on the Quality Performance of Higher Education and Introduction of a Balance Score Cards in Tanzania

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**Abstract** – It is important to study the effects of cost-sharing on the quality performance of higher education and to introduce a Balance Score Cards in Tanzania because this will provide significant insight into the student’s impact on the cost sharing and their performance in their universities. The policy makers and his agents will offer the necessary technical support and advice to Higher learning Institutions as well as providing new developments. (Adjustment of the policy).The government will provide the required regulations and other interventions that are necessary to ensure smooth operations for all concerned parties.Lack of studies in the effects of cost-sharing on the quality of higher education in Tanzania, no studies about the quality indicators for administration of cost-sharing on the quality of higher education in Tanzania, which measure the performance of each student after the implementation of cost sharing policy. Scholars and researchers may wish to use the findings and carry out further research

**Keywords** – Cost-Sharing, Quality Performance, Balance Score Cards, Tanzania.

## I. INTRODUCTION

Developed and developing, rich and poor countries, at varying levels of technological development and diverse political orientations experienced these reforms differentially (Johnstone, [1], and World Bank, [2] ) The reforms were introduced in Africa as part and parcel of the implementation of Structural Adjustment Programs (SAPs) and post Structural Adjustment Programmes. Cost-sharing is a problem facing many world governments due to the high demand for higher education. The World Bank (WB) and the International Monetary Fund (IMF) spearheaded tertiary and higher education reforms of the late 1980s and early 1990s that focused on the financing and management of tertiary/higher education.

Johnstone [3] defines “cost-sharing as “the shift in the burden of higher education costs from being borne predominantly by government, or taxpayers, to being shared with parents and students” (p.23). The Tanzanian Higher Education Students Loan Board (HESLB) adopted Johnstone’s definition of cost sharing as indicated in the Daily News (Friday, May 25, 2007) which states that, “Cost-sharing in higher education ...[represents]... a shift in shouldering at least part of the costs of education from Government...to the beneficiaries” (p.21). Both definitions emphasize shifting the burden of the cost of higher education from the government (tax payers) to students and their families who benefit more. There are three major reasons provide a rationale for introducing cost sharing in tertiary and higher education: First, the

need for other than government revenue for higher education in response to a great demand for higher education. Higher education is a major engine of national economic growth provider at a personal level, immediate family and at a national level .Johnstone, [3].Other scholars support this assertion including Galabawa [4] who observes that:

In this case higher education measured in terms of the gross enrolment ratios (GER), or in terms of higher education attainment (HEA) i.e. proportion of population with higher education, was found to have a positive effect on the level of economic development (p.83).

Second, is the argument that those who benefit should at least share in the costs. Canadian and International Education Vol. 38 no.1 - June 2009. Johnstone [3] stresses that “free” higher education means that tax payers pay instead of students and their families who directly benefit from tertiary and higher education.

The third reason is that there should be a high price on a valuable and highly demanded commodity based on market virtue such as greater efficiency (more accountability), producer responsiveness to individual and societal needs .Johnstone [3].

## II. BACKGROUND OF THE STUDY

Sharing of higher education costs is not a new phenomenon in Tanzania. The practice existed in various guises from before independence through 1974 when the government took over all responsibility for paying for higher education in exchange for a student’s working for two years in the public sector. Formal cost sharing in higher education was re-introduced in the late 1980’s due to economic crisis during this period that reduced the government’s financial support to the sector and as part of wide-ranging economic and social reforms under the IMF/World Bank sponsored structural adjustment programs (SAPS). The government first formally adopted cost sharing in higher education in 1988, but for political reasons, made its formal announcement in January 1992, two years after the general elections. Due to the fact that higher education in Tanzania was “free” for more than 25 years, the government decided that the implementation of cost sharing should be in three successive phases.

The first phase became operational during the 1992/93 academic year. In this phase, students and their parents were required to pay their own fares to and from their respective places of domicile to universities. Prior to the introduction of this new measure, students were entitled to travel free in second-class coaches. Students were also

entitled a 50% discount on domestic air travel.

The second phase of the cost sharing policy was implemented during the 1993/94 academic year. In this phase, students were required to pay for food and accommodation, student union fees, and caution money. The so-called higher education allowance was eliminated during this phase. The government retained responsibility for covering tuition fees, examination fees, book and stationery allowances, special faculty requirements, registration fees, and field allowances. During this phase the government also introduced loans that were available to all students to cover on- or off-campus accommodation costs and meals sold in university cafeterias that have been privatized. Parents/guardians were co-signatories for these loans. In 1996, the University of Dar es Salaam's Council approved an official proposal for admitting privately sponsored Tanzanian students and in 2002, it officially recommended that the university fill remaining spots not filled by government sponsored students with privately sponsored, tuition fee paying students. Under its dual track policy, the University of Dar es Salaam established criteria and set minimum cut-off points for admission in the individual degree programs that were based on the number of students that the government set for admittance under its sponsorship. Unlike Kenya and Uganda, the government also determined the distribution of students among campuses and programs. Ishengoma[5] Admission to the self-sponsored places is based on results of the Advanced Certificate of Secondary Education Examination. Candidates have to receive principal level passes in appropriate subjects with a total of at least 5 points from three subjects obtained at the same sitting and have to pass the university Matriculation Examination in order to be considered. The different programs have additional admission criteria.

The third phase of the cost sharing plan was envisaged to involve partial payments by parents and students of the following costs: tuition fees; examination, books, and stationery allowances; special faculty requirements; and field practice allowances. It was prior to the initiation of this third phase that the Higher Education Student Loans Regulations, 2005, introduced means-tested, interest free student loans (July 2005) for the (2005-06) academic year to cover tuition fees, other academic fees, room and board for all qualified higher education students in public and private universities. All borrowers must provide a guarantor's declaration in which he/she agrees to guarantee the student's loan using immovable property as security. Initially, the student loan covered 100 percent of tuition and living costs for qualified students. However, due to financial and logistical problems, the loan guidelines and criteria were revised in 2006 so that only 60 percent of tuition fees are covered by the loans on a means tested basis with the other 40 percent to be covered upfront by the students themselves. Repayment must begin one year after course completion and be completed within 10 years. It is not easy to measure changes in the quality of learning, and less easy to ascribe reasons for quality improvements. Attempts to measure factors which influence learning can result in counter intuitive

conclusions, such as that class size or teacher training have no effects

### **III. PROBLEM STATEMENT**

Currently, the student engagement on cost sharing policy is a problem therefore not enough to explain this dimensions towards overall quality measurement of cost sharing effects in education. The cost sharing perspective of higher education may be different for Tanzania context. Lack of standard of qualities and regulations to govern the quality of education in Higher Learning Institution in Tanzania after introduction of cost sharing policy

### **IV. RESEARCH QUESTIONS**

The following research questions will lead to get solution for the gap existed

1. What are the items used to measure student engagement in cost sharing in education?
2. What are the metrics suitable for quality management of cost sharing on higher education in Tanzania?
3. To what extent the quality metric proposed is suitable for Tanzanian context?

### **V. OBJECTIVE OF THE STUDY**

The study wants to reveal the effects of cost-sharing on the quality of performance higher education and to introduce a Balance Score Cards in Tanzania.

Specific objectives

1. To determine a comprehensive metrics pertaining to student engagement in cost sharing higher education
2. To develop a quality metrics for higher education
3. To propose a quality metrics for higher education, for Tanzania context (Introduction of Balance Score Cards)

### **VI. CONCLUSION**

The research will cover only Higher Learning Institutions in Tanzania. Therefore, to generalize the results of this study it is advisable to consider these limitations, this is due also to financial constrains no other source of funds a researcher has, more than the one promised by the programme. In addition to improve the limitations of this study, further research should consider a bigger sample size from a wider range of higher learning in EAST Africa

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