

Teeland University Mar'16 Q4

22
25^m

(a)

The value for money could be assessed by economy, efficiency and effectiveness. The value for money is useful to evaluate the performance of not-for-profit organisation (NFPO) such as Teeland government or Teeland universities.

good definition

✓ 1m

Economy

Economy measure how much lower cost is used for input. As shown in Appendix A, "cost / academic" staff is one measure of economy.

✓ 1m

	North	South	East	West
Number of staff ①	1750	2400	485	625
Cost of staff ②	\$109m	149m	20m	37m
② ÷ ①	62,286	62,083	41,237	59,200

✓ 1m

As above calculation, the cost per staff is lowest in East while highest is in North. However, we need to analyse the reason at the same time. North university is famous and need attract the most able students from all parts of the world and it may need high-skilled staff. East university is small and only teach arts and humanities subject. Thus the payroll cost of staff must be different and it should not be compared only by the figures.

good explanation on comparability issues

Efficiency

Efficiency measure how much input is used to generate same level of output. Efficiency can be measured by Number of students per academic staff.

✓ 1m

	North	South	East	West
Number of students ①	17600	30400	5200	11200
Number of academic staff ②	1750	2400	485	625
① ÷ ②	10	13	11	18

As above calculation, the most efficient university is West while lowest is North.

This is also need to be drilled down to check the reason West university's student may not normally have the opportunity of a university education because of low entry standard while North is most strict in Teeland and student knowledge level is higher. Thus, staff also take care each students in North more than West.

Effectiveness

Effectiveness measure how much the output ~~the~~ achieved the ~~the~~ target. The objectives of Teeland universities are ① improvement of overall standard of education, ② high quality academic ~~the~~ research and ③ providing many graduates to meet the needs of society. Good link to M.S ✓ 1m

Effectiveness can be measured by the ratio of TSO R for ①, the funds received for academic research for ②, and the ratio of the number of graduates jobs per the number of students. ✓ 1m

	North	South	East	West
TSO R ①	84%	76%	73%	90% ✓
Funds for research ②	\$491m ✓	474m	26m	14m
graduates job / students ③ $\frac{4180}{17600} = 24\%$ ✓	24% ✓	22%	22%	17% ✓

As above workings, North university is most effective university if just figures are compared. But we should assess the reason of variance by qualitative point of view, too.

(b) Benefits of league tables

- This table is compared between different universities in Teeland and can be useful to do internal benchmarking for their improvement. ✓ 1m
- The table represents simple figure and easy to compare or understand even for the person who does not have strong accounting skills. This allows many staffs engage in improvement. ✓ 1m
- As ~~compare~~ comparing, each university can identify their strength and weakness and ~~it~~ it would motivate each university to do continuous improvement. For example, TSO R shows West university is higher score and student may satisfy the university life. North university is not low TSO R score but should be improved by the benchmarking to West university. ✓ 2m

Problems of league tables

- Firstly this comparison between the 4 universities is not suitable to assess the performance because each university has different objectives, different strength, or different student type and those preconditions are too different to compare. ✓ 2m

you can also mention different locations, academic focus

- Secondly, this table is used to compared with another countries university, but ~~it~~ it is also not suitable because of same reason above (different precondition) ✓ 1m
- Thirdly, this table leads those university to act dysfunctional behaviour as the result of focusing what gets measured. The table does not show, for example, the class fee, the cost of living around the university, the satisfaction of academic staff, or the number of students who was dropped. Good point ✓ 1m
- Fourthly, there is no qualitative information such as cleanness of university, comments from each university, or complaints from students and their family. It is also important for performance improvement. ✓ 1m