



# Performance-based Funding Dynamics for The Enhancement of Strategic Objectives in Higher Education in Sub-Saharan Africa: An Institutional Case in Cameroon

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**Abstract** - Although access to higher education continues to be crucial for developing countries, higher education remains a corps of excellence with selectivity as one of its operational dynamics. Even if higher education were to be fully massified everywhere, some of its functions and objectives would remain elitist and more strategic and may often require very tough choices on the part of administrators and managers of higher education. This situation suggests the inevitability of differential concentration of funds and the enhancement mechanisms for the priorities, one of which can be represented by performance-based funding. In this article, we examine a funding scheme, the Staff Development Grant at the University of Buea, Cameroon which employed performance-funding instruments as a means of boosting the university's teaching and research profile, a strategic priority at the time. The results suggest that performance-based funding could have important positive implications in stimulating the responsiveness of other strategic objectives of higher education in the country's context.

**Keywords** - University, Funding, Competition, Performance, Responsiveness

## 1. Introduction

Over the last three decades, higher education has been challenged by a phenomenon of shrinking funding. This phenomenon is exacerbated by changing demographics, rising costs, diversity, multiplicity of demands and expectations. There are traditional expectations to widen access, provide education, enhance social inclusion and produce human capital for national development. Besides, globalisation and changes in the structure of economies bring new pressures to higher education. There are pressures to provide quality education and research for innovation and competitiveness of nations. At the same time, the university is more than ever before, called upon to prove or improve its contributions to regional development. Pursuant to the multiplicity of demands and expectations, sponsors, managers and policy makers are increasingly becoming more strategic, cost-conscious and result-oriented in the funding of higher education.

While performance-based funding seems to be gaining prominence in most OECD countries as a means of enhancing the efficiency of certain urgent and strategic objectives of higher education (Eurydice, 2008), we sought to examine through an institutional case study the efforts of a developing country in tackling such urgent and strategic objectives with

funding. Cameroon situated in the armpit of the African map between Central and West Africa was chosen. As Africa in miniature, its blend of the dominant French and Anglo-Saxon systems of higher education in the continent were considered unique. Most of the funding documents in Cameroon did not describe their schemes and formulae but it could be observed that they were dominated by 'line item', 'lump sum' funding or their mixture (Jongbloed, 2003) which is usually based on expenditures. It could be identified in addition that, certain result-oriented programmes were implemented by default without being stated as policy concepts. One of them was the *Staff Development Grant* at the University of Buea which seemed to possess the characteristics of performance-based funding. The study (Samfoga Doh, 2009) therefore focussed on the Staff Development Grant.

Considering the strategic importance of improving the profile of its teaching staff during its early years, the administration of the University of Buea decided to be allocating part of its budget for 'staff development' on the basis of performance and visibility of results. If grantees proved as per the contracts that they had accomplished their projects, they were eligible for subsequent grants, their rewards being their individual staff development, promotions (with pecuniary benefits) amongst others. By these developments, the administration became assured that the profile of the university was

improving. Every year: 1. A fund was set aside as blocked grant and the application period scheduled. 2. The academic staff had to submit proposals in competition for the grants. 3. The proposals were examined by committees and decisions made on their eligibility. 4. Contracts were signed between the university and the staff before the funds were disbursed. 5. The staff had to submit reports to the administration, also as a precondition for future award (Guidelines of the Staff Development Grant, 2000). Our study examined the rationale for some of the procedures and instruments of the Staff Development Grant and the extent to which it was successful in its objectives.

Considering that the scheme seemed to possess features of performance-based funding, the theoretical framework of the study was constructed from literatures on performance-based funding in higher education. The policy documents were reviewed and fifty (50) semi-structured questionnaires distributed to administrators of the university, grantees and non-grantees who were conversant with the scheme. Section two below presents the profile and policy context of the Staff Development Grant, section three its similarities to Performance-based Funding and successes. Section four relates the successes of the scheme to other priority objectives of higher education in the context of Cameroon which can be enhanced by similar frameworks and section five, the conclusions.

## 2. Background, Objectives and Components of The Staff Development Grant

The University of Buea is the only public English-speaking University in Cameroon. It was created in 1993 following the 1993 Reforms; the broadest university reform in Cameroon during which five universities were created from the lone University of Yaoundé which had existed since independence in 1960. The Staff Development Grant followed concerns about the low qualifications of the teaching corps of the University of Buea during its early years. As a young institution, a majority of the staff were still holders of Master's degrees or within the lowest ranks of the system. As at 1998, only one per cent of the staff were full '*Professors*', eight per cent as '*Associate Professors*', 34 per cent as '*Lecturers*' and 57 per cent either as "*Assistant Lecturers*" or "*Instructors*" (Njeuma et al., 1999, p.15). This implied a 91 per cent at the lowest two ranks and only 9 per cent at the professorial levels of the system.

It was envisaged that these low qualifications will have negative impacts on the quality of teaching and research. The teaching staff needed stronger research capacity, the use of its related tools and also be involved in outreach activities. The university was perceived not to be responsive to national requirements and international standards. It was a requirement of the Ministry of Higher Education in Cameroon that all the teaching staff should hold terminal (doctoral) qualifications. Terminal qualification was one of the main requirements for

supervising Master's theses and Doctoral dissertations and promotion. For instance, in Cameroon, the promotion of a teaching staff recruited without a doctoral qualification as '*Assistant Lecturer*' is limited only to the second of the four ranks (Lecturer). In a situation where many of the staff did not hold doctoral qualifications, it implied that they were 'never' to be promoted to the ranks of *Associate Professor* or *Professor* and neither could they be accredited to supervise postgraduate programmes. The promotion also required publications in accordance with a Cameroonian 'publish or perish' policy.

Although the requirements were being prescribed from the national level, there seemed to be no general instrument to spur their implementation in the university. The University of Buea had to take special dispositions. Its Academic Office was assigned to carry out a general assessment to determine the faculties' needs for teaching and research productivity and promotions. The assessment revealed that staff development was not being given sufficient attention. There seemed to be insufficient state-of-the-art, little or no knowledge of the information and communication technologies, lack of teaching aids and low publication rates. The proposals were compiled in a document called '*The Staff Development Plan*' which laid down the guidelines, objectives and strategies for staff development. The proposals were submitted to the university's Senate for approval and went operational in 2001 (Resolutions of the 18<sup>th</sup> Senate of the University of Buea, 2000). The thrust of the Plan was that extra incentives would enhance the teaching and research capacities of the staff. The 'Staff Development Grant' became a 'lump sum' set aside to enhance staff development with sub-grants and strategies. (Table 1)

## 3. The Staff Development Grant as Performance-based Funding

Performance-based funding denotes a drift from the traditional pattern of blocked funding of higher education which was simply based on expenditures to new forms of result-oriented funding. It describes the use of financial incentives as instruments to guide the achievement of specific objectives. Burke and Minassians (2002a) define it as funding which is tied directly to the performance of institutions, individuals and groups on the basis of predefined indicators. Performance-based funding may entail allocating financial resources to institutions according to their achievement of previously-established objectives (Layzell 1998, p.1). Frølich (2008, p.28) attributes it to the advent of a new social contract whereby universities have to demonstrate value for money. It accompanies the advent of new managerialism or new public management with the use of private sector tools in the management of universities. Francis and Hampton (1999, p.268 in Daye 2005, p.1) describe performance-based funding as reflecting "a growing fascination in market models of resource allocation".

**Table 1.** Objectives and related Sub-Grants

No.	Objectives	Sub-Grants	Specific Purpose
1	Improve the research productivity and capability of the staff to gain upward academic mobility.	Publication Grant	Offset page charges for scientific publications
		Textbook or Monograph Publication	Loans to authors to facilitate publishing
		Travel Grant	Visit to other university/ institutes for scientific work, conferences and seminars.
2.	To strengthen the capability of the university to offer training in diverse fields that are relevant to national development and the labour market and to enhance teaching and research skills.	Computer literacy programme	Workshops organised by the Department of Computer Science.
		Workshops on teaching methods	To be organised .by the Faculty of Education
		Research Methodology Training	Organise research methodology workshops
		Academic discussions or seminars.	As stated
		Innovation and Leadership Grants	Senior staff to start research projects within which junior staff and PhD training.
3.	Create Dynamic Intellectual Environment which Favours Creativity and Excellence.	Publication Prize	To individuals or groups who publish in high impact journals.
		PhD Training Grants	Fee waiver to staff on PhD training. Registration and travel subsidy

Source: An adaptation of the Guidelines of the Staff Development Grant (Samfoga Doh 2010, p.18-20)

Performance-based funding is a follow-up to the different shifts that have occurred over the last decades in the steering of higher education, notably from state-run to autonomous institutions. For example, 'reinvention of government' (Peters, 2001), 'state supervisory model' (De Boer and Godegebuure, 2003; Maassen and van Vught 1994) and the 'evaluative state' (Neave, 1998). This argument may be explained by the principal-agency theory whereby the state devolves autonomy to universities but employs other means for them to remain accountable (Kivistö 2005). Gornitzka et al., (2004) observe that such mechanisms are disguised forms of state steering higher education. One of the important circumstances to such mechanisms is the recent global environment of higher education or globalisation which reinforces the search for quality, competitiveness and efficiency. Sörlin (2007) relates them to the pressures for adaptable institutions to national innovation and international competitiveness.

The conformity of the Staff Development Grant to performance-based funding could be examined in relation to its rationale and the procedures (outlined in the introduction). Most literature converge on the notion that efficiency and accountability are the main rationale for performance-based funding (Frølich, 2008, p.5; Jongbloed and Vossensteyn 2001, p.3; Dumont 1980, p.1). The empirical data and policy documents revealed that the search for productivity and ac-

countability were at the background of the Staff Development Grant. It was an incentive to improve the academics' performance and productivity. The accountability perspective would also relate to the need to check information asymmetry and build trust between the sponsor and agent (Gornitzka et al., 2004; Kivistö, 2007). According to Gornitzka et al. (2004, p.3), such mechanisms signal the lack of trust and change in the terms of the contract which was simply a 'social contract' or 'gentleman's' agreement to a relatively new relationship with formalised procedures. There had been research allowances which were directly earned in the academics' salaries. With the urgency of the objectives, the administration of the University of Buea found it more assuring to earmark a separate fund for staff development with more stringent and goal-oriented rules. These included the project proposals, the use of a market mechanism (competition), the signing of contracts and proof of previously-accomplished projects before award of subsequent grants. The proposals and reports themselves were aspects of the individual and group accountability, by implication, a more accountable academic organisation as the information could equally respond to government request for accountability. Failure to submit reports implicitly meant forfeiting eligibility for future awards.

One approach to performance-based funding is setting aside a portion of the budget to be disbursed on performance

bases termed ‘performance set asides’ (Hauptman 2005, p.11; Thorn et al., 2004). This was evident in the Staff Development Grant where part of the budget was set aside as a special fund with several indicators. This blend of indicators has been described as ‘Multiple output indicator’ approach (Hauptman 2005, p.11; Thorn et al., 2004, p.11). Amongst the indicators were: the completion of projects, publications and promotions. ‘The employment of output indicators is premised on the assumption that current results provide clues of action in the past and work carried out predicts or becomes visible in future’ (Tammilehtö 2005,p.5). Performance-based funding is often steered by ‘competition’; a market dynamic and core theme of new public management (Orr, Jaeger and Schwarzenberger 2007, p.1). Grantees were selected on the strength

of their proposals (see criteria 2 above). There is the use of ‘contracts’ in performance-based funding. Performance contracts define the objectives to be achieved by the agents. Although some countries do not explicitly state the connection between contracts and funding, contracts usually reinforce funding decisions and commitments (Gornitzka et al., 2004).

#### 4. Successes of the Staff Development Grant

The following table presents the respondents’ opinions on the success that was recorded on some of the grant’s objectives:

**Table 2.** Level of Success of the Staff Development Grant

Objective	Objective 1	Objective 2	Objective 3
Very Successful	5 (16%)	2 (6%)	0 (0%)
Successful	20 (62%)	16 (50%)	10 (31%)
Neither Successful nor Unsuccessful	1 (3%)	4 (12%)	14 (44%)
Very Unsuccessful	1 (3%)	3(10%)	2 (6%)
Unsuccessful	3 (10%)	5 (16%)	5 (16%)
No Answer	2 (6%)	2 (6%)	1 (3%)
Total	32 (100%)	32 (100%)	32 (100%)

We note from Table 2 that ‘Objective 1’ which was for *article, textbook, monograph publications and travel grants*, as a means of improving the research productivity and staff promotion, had the highest score (62 per cent). Only 6 per cent opposed that it was ‘very successful’. Six (6) per cent gave ‘no answer’. Equally, the highest score (50 per cent) was recorded for the success of ‘Objective 2’. The highest level of neutrality (neither successful nor unsuccessful) was expressed about ‘objective 3’. Respondents pointed out that some of the objectives were unclear. For instance, the neutrality in assessing ‘objective 3,’ ‘creating a dynamic intellectual com-

munity’ could simply lie in the fluidity of its definition.

Existing documents point to certain advantages of productivity and efficiency which should have resulted from the Staff Development Grant. This is the case with ‘Objective 1’ above which scored the highest. The profile of the academic staff at the University in 2007, six years after the initiation of the grant as well as their rate of promotion, is indicative of improvements in efficiency and productivity. A comparative analysis of the two periods (before and following the scheme) is presented below:

**Table 3.** Percentage of staff at the different ranks: 1997/1998 and 2006/2007 situation

No.	Academic Rank	1997/1998 (%)	2006/2007 (%)
1.	Professor	1	6.1
2.	Associate Professor	8	6.1
3.	Lecturer	34	46
4.	Assistant Lecturers	45	32.9
5.	Instructor*	12	9.4

Source: Njeuma et al., (1999, p. 12) and University of Buea 2006/2007 Annual Report (p.7)

\*Not statutory. Recognised by Employer-University only. Not the system (national level).

From table 3, it can be observed that the number of staff at the highest rank (Professor) increased by 5.1 per cent over a

period of 5 to 6 years. In the second senior rank (Associate Professor), there is a drop by 1.9 per cent because some of the staff in that rank should have moved to the first senior rank; an improvement. The number of staff in the third rank (Lecturer) increased by 12 per cent, by implication, a drop in the number at the lowest ranks, indicating an increase and mobility towards the two senior ranks. Finally, the percentage of staff at the last statutory rank (Assistant Lecturer) dropped by 12.1 per cent. Unlike in the 1997/1998 situation where up to 57 per cent of the staff was still at the two lowest ranks, 45 and 12 per cent respectively as *Assistant Lecturers* and *Instructors* (non statutory rank), there were only 33 per cent as at 2007. The 24 per cent drop at the two lowest ranks indicates a significant progress and better quality. The drop suggested that many at those last two ranks should have moved to higher ranks. The improvements in the qualifications resulted from increased research activity and productivity provided by the staff development grant. When the academics became more involved in research there were able to publish and meet the criteria for promotion from lower to upper ranks. Thus the staff development grant played a dual but mutually enhancing role in increasing research productivity and staff qualifications.

Also, unlike in the 1997/1998 period when a majority of the staff did not hold terminal (doctorate) degrees (Njeuma et al., 1999, p.12), 146 of the 243 Staff, (about 60 per cent) were holders of Doctorate Degrees as at 2007 (University of Buea 2006/2007 Annual Report). PhD training grant (as per the Guidelines 2000:4) was one of the strategies for improving the university's research productivity and even for creating a dynamic intellectual environment. According to the study (Samfoga Doh, 2009), 21 per cent of the grant awards were for PhD training and 67 per cent completed their studies. The number and promotion rate of the academics improved significantly as well. Of the 45 files that were forwarded to the Promotion Board in the 2006/2007 academic year, 25 representing 55 per cent rose to higher grades. The promotion would equally imply an increase in the volume of publications since it is a major criterion for promotion. A good number of the responses indicated that the grants contributed to the publications which made them eligible for promotion. Again, even the improvement in the promotion rate to the first two ranks (Associate Professor and Professor) is directly interpreted to be accompanied by doctoral qualifications. As mentioned above, the academics cannot be promoted to those two professorial ranks if they don't hold terminal degrees.

## 5. The Logic Behind the Scheme

Performance-based funding leads to increasing returns. This is based on the correlation between the use of incentives and the efforts expended. Policy-makers and managers believe that the concentration of funds on certain missions and activities of universities optimises their competitiveness and efficiency. The result-oriented strategies behind the grant are captured in a quote whereby the administrators declared to the

academics:

This is the amount for Objective 'A' or 'B'; submit proposals and we would provide the necessary incentives. If they are executed, more incentives will be awarded (An interviewee, Samfoga Doh 2009, p.77).

Performance funding serves as extrinsic monetary rewards for staff to be more efficient if they expect their behaviours to result in desired outcomes, in this case, extrinsic rewards. Through the grant, it was expected that the financial incentives would spur the initiative to design projects. Academics would be constantly motivated by the incentives to accomplish more since accomplishment attracts more incentives and their performance would increase (Samfoga Doh 2009, p.43). According to the administrators, project accomplishment served as indicators for the success of future projects and to the academics, prospects to the success of their applications.

The internal instruments and dynamics under which performance-based funding operates lend clarity to its significance. The identification and development of performance indicators is usually at the heart of performance-based funding. Performance indicators are meant to reduce the information asymmetry between the sponsors and universities. The market in which universities operate is very imperfect, hence the need for indicators to approximate the many dimensions of their outputs (Jongbloed and Vossensteyn 2001, p.3). Universities are professional (bottom-heavy) organisations and usually difficult for non-members to understand their operations, worst of all, measuring their performance. Indicators heighten pressures on academics to invest greater efforts (Taylor and Taylor 2003, p.78). There are also the performance contracts. Though they are usually regulatory documents, they were, as stated by the respondents, legally binding in the Staff Development Grant.

It is germane to re-emphasise the notion of 'competition'. We would argue that from its inception, higher education has been an elitist and selective sector, with competition as one of its operational dynamics. Such selectivity is also buttressed by the human capital-related theories whereby higher education is perceived to be playing a 'filtering', 'screening' or 'signalling' role to the society (Weiss, 1995; Canton and Venniker, 2001). Even with the massification of higher education today, some of its roles remain elitist and urgent and would constantly require selectivity, protection and differential concentration of funding. Today, the notion of elitism with regard to universities is gradually changing from institutions focusing on the selection of students towards research-intensity and excellence. The simple production of graduates may be insufficient except for the relevance of their competences and respective institutions to knowledge economies and international competitiveness. It was such university institutions which played a major role in the formation of the elites for the proto-industrial and industrial societies (Castells 2001, p.207). The transition to institutional elitism suggests the increasing institutional 'differentiation' or 'diversity' and by implication differential concentration of funding. Basing allocations on

comparative criteria is one way of setting incentive for competitive practice (Demeritt, 2000; Dumont, 1980, p.1; Orr, Jaeger and Schwarzenberger, 2007). Competitive grants suggest the possibility of quality and high success rates as the best is selected, also as indicator on the feasibility of the results.

Performance-based funding can increase social capital and networking in the university and with its external environments. The motivation by the financial incentives creates the basis for academics to be pulled together towards the projects and in the application of their *savoir-faire* in solving societal problems. The Staff Development Grants was symbolically important in bringing the staff together. For instance, through the 'Leadership Grant', the senior academics were to constitute groups with junior academics. Also, it could be seen that some of the projects involved external partners with external funding, in which case, the grants were simply meant to supplement the external funds or cover running costs on the part of the university. The outcome of such activities is an enhancement of team-spirit between the senior and junior academics as well as connections between the university and its external environment. Performance-based funding promotes creativity and innovativeness in the university. Some of the grantees revealed that the grant was a motivation to design projects which should not have been thought of if the incentives did not exist. This team spirit, creativity and social capital should have been important lubricants for that young university and its sustainability.

## 6. Towards a System-wide Performance-based Funding Scheme

In the study (Samfoga Doh 2009,p.76), it is observed that a system-level performance-based funding scheme for higher education in the Cameroonian context would entail constituting a checklist of the system's objectives, assessing their strategic importance and the extent to which they can be enhanced with financial incentives. We would discuss the use of performance incentives in the light of some challenges in the Sub-Saharan African region.

The need to increase participation remains one of the main challenges for higher education in Africa and Sub-Saharan Africa in particular. With an observed elitist participation rate, there are expectations for Sub-Saharan Africa to increase access with implications for funding. While the pressures initially point to a quantitative increase, performance-based funding presents one of the mechanisms by which access, intake and output can be accompanied by quality. There is the example of the input indicator model whereby funding is allocated based on targeted number of students. Admittedly, since funding allocations for most Sub-Saharan African universities are based on 'per student' number (Jongbloed, 2003); there is less variation with this model. There is also the 'outcome' 'out-put' or 'result' model whereby funding is determined by the number of graduates, credits earned or job placements. For instance, in the UK and Denmark, they are

based on number of graduates and in Sweden and Norway; earned credits are used as indicators of performance (Gornitzka, 2004; Jongbloed, 2003). However, when funding is based on number of intake, graduates or credits, universities may be tempted to lower admission or graduation standards. As tricky as these models may be, they provide advantage for institutions to recruit and retain high performing students and to ensure standard performance.

While concerns about participation rate in Sub-Saharan Africa continue to be sustained, some of its higher education systems, in cases like Ghana and Cameroon (Bloom et al 2006, p.33-34), seem to be expanding at alarming and uncontrollable rates. The number of enrolments in higher education leapfrogs from year to but this is not reflected in participation rate which considers an age cohort (19-25years) of the population that is equally expanding at an alarming rate. The 19-25years age group is the greatest of sub-Saharan Africa's population; hence increases in enrolment have little effect on participation rate. This expansion leads to capacity-imbalance, overcrowding and the urgency to do more with little. Unlike in industrialised countries, the increases in Sub-Saharan Africa takes place more in traditional disciplines and subsequent careers with limited relevance to the nation's development. While their training function would seem to be making some progress, the science and knowledge production, technical and vocational domains increasingly lag behind (Castells, 2001). It can be observed in developed countries that performance-based funding has dominantly targeted programmes of strategic importance and relevance to national development. We shall term this type as *programmatic* performance-based funding. Performance-based funding may often accompany structural differentiation and institutional diversity. The research cycle may be separated from that of teaching with differences in funding or diversity leading to new vocational and technological sectors. We shall describe this as '*Systemic*' or '*institutional*' performance-based funding. In such cases, funding is differentiated between institutions or as reward based on relevance. The recent explosion of 'research universities' and by implication 'teaching only' universities with the former topping the hierarchies in terms of concentration of funding, suggest such differentiation (Altbach et al., 2009). Of course, the relationship between research and teaching as well as priorities are context-driven and often depend on prevailing discourses on how knowledge and its use are viewed (Brew, 1999). With the stronger relationship between research and the knowledge economy nowadays, more impetus seems to be granted to research.

The transition to knowledge economy which performance funding may seem to stimulate has the tendency of widening the developmental gaps between nations. While such *programmatic* or *systemic* funding may be advocated, some complications may be borne in mind. Performance-based funding usually engineers a Darwinian Theory of 'survival of the fittest' (Daye 2005, p.3), academic capitalism or programmes and institutional elitism. Strong and more market-friendly institutions and programmes may be incentivised

to get stronger thus widening the gap with indirect market-oriented ones but which may equally be relevant to national development. However, performance-based funding generally improves functional concentration and output.

The study on the Staff Development Grant coincided with the historic creation of a 'Special Fund for university research' in Cameroon as per Decree No.2009/121 of 8 April 2009. 'Setting aside' a special (system) fund for research alone is a characteristic of performance-based funding. Performance-based funding may be very significant for university research in Sub-Saharan Africa where its productivity and output has constantly stood as the lowest. Performance-based funding can maximise research productivity as opposed to the funds being earned in salaries as was the case before the Staff Development Grant or the above research fund. One reason for the significance is that the impact of research may be more visible and its indicators easily identified and assessed. This is suggested even by the increase in publications as the most successfully-achieved and measurable objective of the Staff Development Grant.

It is also important to situate any funding policy in the context of globalisation. Every university is a subject or object of globalization (Scott, 1998). Globalisation, which is not unconnected to countries' prospects for integration to the global (knowledge) economy (Castells, 2000) necessitates research intensity, high quality education and innovative capacity. While globalisation puts pressure on Sub-Saharan African countries to be innovative with their knowledge systems, it conflicts with the utmost necessity for their higher education to be responsive to their immediate development needs. The Staff Development Grant revealed that such schemes produce social capital in the university and with its external stakeholders. This translates that it produces social capital which stimulates universities' engagement in third missions, the interaction with its external socio-economic environment beyond academic purposes (Molas-Gallart et al., 2002). This is very important in contemporary accountability debates whereby, universities have to demonstrate to the public that their activities are in conformity with societal expectations and also address the specific interest of those who seek their services (De Boer and Goedegeburre 2003, p.212).

Performance-based funding may also be crucial as 'third mission funding' especially in those situations in Sub-Saharan Africa where higher education is emphasised in their poverty alleviation strategies (Bloom et al., 2006). Worth reiterating is the quote for academics to prove their capabilities and for more rewards to be awarded. There are a lot of ideas, even patentable ones in the university which make the university's contribution to wealth creation more direct than it is supposed to be (Cowan, 2005). Cases abound about the unimaginably extensive role which (variously called) 'third mission funding', 'venture' or 'seed' capital can play in the socio-economic boom of nations (Etzkowitz et al, 2008). Performance-based funding litigates the risk that may be in-

involved in the ventures. Hatanaka (2005) proposes that third mission funding requires some protected status to sustain incentive and support interactions between the university and the rest of the society. One of the strategies as per Duke (2002) is to provide 'demand-side' funding to promote economically and socially important activities or 'pump-priming' funding for starting and experimenting with new activities.

## 7. Conclusion

Our analyses suggest that the profile of the academic corps at the University of Buea, which was the main concern behind the Staff Development Grant improved significantly during those 5 to 6 years which were covered in our study. The Staff Development Grant spurred research productivity, improved promotion rates, the teachers' quality and outreach activities of that university. Above all, the symbolic importance of the grant as an incentive for creativity, innovativeness and in spurring social capital cannot be minimised. If on grounds of the similarities and its successes, our observation that Staff Development Grant was a form of Performance-based funding is sustained, then performance-based funding would have important implications for higher education in Cameroon and similar context. Studies and policies that test its applicability in similar contexts would certainly yield interesting results. They would perhaps lead to their peculiar models, results and challenges. It would be important to be cautious with regard to contexts and indicators as objectives, expectations and priorities in higher education may depend on development contexts. Researchers, policy-makers and consultants for developing countries especially other Sub-Saharan African countries could explore the possibilities and extent to which performance-based funding can enhance some of the strategic objectives of their higher education.

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## Policy Documents and Official Texts

- 2006/2007 Annual Report of the University of Buea, University of Buea
- Decree No.2009/121 of 8 April 2009 to create a special fund for the modernisation of research in Cameroonian State Universities, Ministry of Higher Education, Cameroon.
- Staff Development Plan, 18<sup>th</sup> Senate of the University of Buea, 8 October 2000, University of Buea.