MANAGEMENT CONTROL DYNAMICS AND BUSINESS SUSTAINABILITY AT DE LA SALLE UNIVERSITY-DASMARIÑAS

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By

CARMELYN FERNANDEZ CORTEZ-ANTIG

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AKLATANG EMILIO AGUINALDO ARCHIVES

ABSTRACT

Title: **MANAGEMENT CONTROL DYNAMICS AND BUSINESS SUSTAINABILITY AT DE LA SALLE UNIVERSITY-DASMARIÑAS**

Researcher : Carmelyn Fernandez Cortez-Antig
Adviser : Sr. Marietta P. Demolino, sfsc, Ph. D.
Area : Business Administration
Year Graduated : 2003

Major Statement of the Problem:

The objective of the study specifically seeks to answer the research problem.

The study looked into the management control dynamics and the business sustainability of De La Salle University-Dasmariñas. The results of the study were discussed in the light of the following sub-problems:

1. What is the profile of respondents in both the academic and non-academic groups?
2. How do the respondents perceive the prevalence of the dimensions of effectiveness, flexibility and work compliance, motivation and commitment and loyalty of the management control dynamics of the university?
3. Is there a significant difference in the perception of respondents in the dimensions of effectiveness, flexibility and work compliance, motivation,

and commitment and loyalty as grouped according to academic and non-academic?

4. Is there any significant relationship in the respondents' perception of the dimensions of management control dynamics and their profile of age, gender, education and years of service in the institution.

HYPOTHESES

The following null hypotheses were tested in the study:

1. There is no significant difference in the perception of the respondents as grouped according to classification: academic and non-academic in the dimensions of effectiveness, flexibility and work compliance, motivation and commitment and loyalty.
2. There is no significant relationship between the respondents' profile of age, gender, education and years of service in the institution as grouped according to classification: academic and non-academic and their perceptions of the dimensions of management control dynamics.

SIGNIFICANCE OF THE STUDY

Control, as an important function of the management process, is intended to reduce ambiguity and indeterminacy, thus increasing reliability and predictability. The outcome of this study 1) will broaden the managerial control of managers of educational institutions; 2) refine the vision-mission statement of educational institutions that incorporate values, character formation and evangelization; 3) identify

employees's perceptions of current control dynamics that could help the sectarian schools become more competitive in view of globalization, which rationalized the entry of foreign universities in the Philippine Educational System, 4) increase the level of efficiency of the institution's control dynamics that spells the success of its operation as a viable and sustainable organization; and 5) will serve as an avenue for school administrators to rationalize educational institutions as a sustainable business enterprise.

METHODOLOGY

The research method used was the descriptive research method. Sampling by drawing lots of names from a provided listing was employed as the technique. Sample size for each group of respondents was obtained by getting 25% (224) of the total population of 894. The 25% sample size is a little above (Gay 1976) the minimum acceptable size of 10% of the population for a descriptive type of research.

There was one (1) set of questionnaire with three (3) parts based on the Alvin Gouldner model of management control, namely; Part I Profile of Respondents, Part II Institutional Data and Part III, a self-made questionnaire which contained eight (8) items for each of the four dimensions of management control dynamics, effectiveness, flexibility and work compliance, motivation, commitment and loyalty. The Likert Scale was used to measure the responses as follows:

5 -- Strongly Agree

4- Agree

3- Uncertain

2- Disagree

1- Strongly Disagree

To establish validity, the instrument was subjected to expert analysis. A content validation was made by a good mix of five (5) members of the academic group composed of one (1) College Dean, one (1) Department Chair, one (1) Program Coordinator, one (1) Full-time Faculty and one (1) Part time Faculty while the other five (5) members of the non-academic group were composed of one (1) Executive Director for the Planning and Development Office, two (2) Directors for both Academic Linkages and Lasallian Family Office, one 91) Asst. Controller and one (1) University Psychometrician.

Finally, the gathered data were statistically treated by using the t-test for the independent groups of academic and non-academic classification, the two-way anova analysis of variance to determine the difference on the perception of respondents as grouped according to academic and non-academic in the dimensions of effectiveness, flexibility and work compliance, motivation and commitment and loyalty, and the correlation method to determine the relationship of income to management control dynamics. After the data were tabulated, analyzed and interpreted, findings were summarized.

SUMMARY OF FINDINGS

1. The respondents' profile as reported by classification: academic and non-academic groups were:

   1.1 There are two (2) classifications of respondents. They are grouped according to academic and non-academic. The profile of respondents are as follows:

      1.1.1 Age: Brackets for both academic and non-academic groups were:

         20-30 years old comprised 68(43.03%)for academic group

         42(63.64%) for non-academic

         31-40 years old comprised 50(31.65%) for academic group

         15(22.73%) for non-academic

         41-50 years old comprised 31(19.62%) for academic group

         8(12.12%) for non-academic

         over 50 years old comprised 9 (5.70%) for academic group

         1(1.52%) for non-academic group

      Majority of the respondents in both the academic and non-academic group, were within the youngest bracket of 20-30 years old.

      1.1.2 Gender: Males – 75 (47.47%) for academic group and

         20 (30.30%) for non-academic group;

         Females –83(52.53%) for academic group and

         46(69.70%) for non-academic group.

Majority of the respondents in both the academic and non-academic group, were females.

1.1.3 Educational Attainment: Levels for both academic and non-academic groups were:

BS Degree Holder -- 10(6.33%) for academic group
47(71.21%)for non-academic;

With Masteral Units- 64(40.51%) for academic group
15(22.73%) for non-academic

Masters Degree Holder -- 39(24.68%) for academic group
4 ((6.06%) for non-academic group;

With Doctoral Units - 38(24.05%) for academic group
None for non-academic group;

Doctoral Degree Holder- 6(3.80%) for academic group
None for non-academic group;

Post doctoral studies - 1(0.63%) for academic group and
None for non-academic group.

Majority of the respondents from the academic group were with masteral units earned followed by a good number of Masters Degrees, with doctoral units earned and Doctoral Degrees, while the majority of the respondents of the non-academic group were with BS degrees,

followed by a number of with masteral units earned and Masters degrees. There were no respondents with doctoral units earned

1.1.4 Service Years with Institution: Brackets/ranges for both academic and non-academic groups were as follows:

Less than 5 years – 107(67.72%) for academic group and 39(59.09%) for non-academic group;

5-10 years - 36 (22.78%) for academic group and 14 (21.21%) for non-academic group;

11-20years - 14(8.86%) for academic group and 11(17%) for non-academic group;

Over 21 years - 1(0.63%) for academic group and 2(3.03%) for non-academic group.

Majority of the respondents from both academic and non-academic groups have less than 5 service years with the institution

2. The respondents' perception as to the prevalence of the dimensions of effectiveness, flexibility and work compliance, motivation, commitment and loyalty of the management control dynamics of the university are as follows:

2.1 effectiveness- arithmetic mean of 4.437 with qualitative equivalent of Strongly Agree

2.2 motivation – arithmetic mean of 4.421 with qualitative equivalent of Strongly Agree

2.3 commitment and loyalty – arithmetic mean of 4.266 with qualitative equivalent of Strongly Agree

2.4 flexibility and work compliance – arithmetic mean of 4.241 with qualitative equivalent of Strongly Agree

Of the four (4) dimensions of effectiveness, flexibility and work compliance, motivation, commitment and loyalty on the management control dynamics of the institution, the highest arithmetic mean was that on effectiveness which was 4.437.

Of the eight (8) items mentioned under the dimension of effectiveness, the highest arithmetic mean of 4.73 was on item no. 3 which states "the group should be consulted and involved in the budget preparation for the respective unit or department" while the lowest arithmetic mean of 4.27 was for item no. 7 which states, "the budget should be prepared annually".

The dimension of motivation with an arithmetic mean of 4.421, followed closely.

Of the eight (8) items asked in the survey, item no. 7 which states, "the group should be rewarded for a job well-done", ranked no. 1 with an arithmetic mean of 4.56, while the lowest arithmetic mean of 4.12 came from item no. 1 which states, "the group has satisfaction with what they do in the organization."

Commitment and loyalty ranked no. 3 among the four (4) dimensions of management control dynamics with an arithmetic mean of 4.266.

Of the eight (8) items asked in the survey, item no. 5 which states, "the group should be always willing to help" with an arithmetic mean of 4.39, while the lowest arithmetic mean of 4.16 was on item no. 4 which states, "the group should find means to accomplish assigned tasks even with limited support".

The dimension of flexibility and work compliance ranked lowest among the four (4) dimensions with an arithmetic mean of 4.241.

Of the eight (8) items asked in the survey, item no. 3 that states, "the group should show respect for authority" , with an arithmetic mean of 4.7, ranked no. 1, while the lowest arithmetic mean of 3.89 was for item no. 7 which states, "the group should be aware that it is easy to make changes in the organization".

The resulting grand mean for all four (4) dimensions of effectiveness, flexibility and work compliance, motivation, commitment and loyalty on management control dynamics of the institution which was 4.327 covered responses for both academic and non-academic groups.

The data revealed the respondents' perception of the prevalence of the dimensions of effectiveness, flexibility and work compliance, motivation and commitment and loyalty of the management control dynamics of the institution.

3. There is no significant difference in the perception of respondents in the dimensions of effectiveness, flexibility and work compliance, motivation, and commitment and loyalty as grouped according to academic and non-academic. The respondents from both the academic and non-academic groups have the same perception that the institution is operationalizing management control dynamics in the dimensions of effectiveness, flexibility and work compliance, motivation, commitment and loyalty.

4. There is no significant relationship in the respondents' perception of the dimensions of management control dynamics and their profile of age, gender, educational attainment and service years in the institution. Data revealed showed that the respondents' profile of age, gender, educational attainment and service years with the institution are not factors that affect the dimensions of effectiveness, flexibility and work compliance, motivation, and commitment and loyalty on the management control dynamics of the institution.

CONCLUSION

In the light of these findings, the researcher concludes that the management control dynamics of the educational institution under study are within the generally accepted operations of the university. As revealed, , the respondents from both academic and non-academic groups considering the profile, whether young or old, male or female, whether a BS degree holder or the highest Post graduate studies, and whether a newcomer or the most senior in terms of service years with De La Salle

University-Dasmariñas, are one and the same in their perception of the prevalence of the dimensions of effectiveness, flexibility and work compliance, motivation and commitment and loyalty on management control dynamics. Further, with this in place, business sustainability is assured. This is reflected in the number of curricular offerings the educational institution has over the years, from the time it was acquired when it was Emilio Aguinaldo College then, up to the present time. The growth rate of 3% to 4% in the enrollment as shown in the last five years is another indicator of business sustainability. More so, the salaries paid and benefits given to both the academic and non-academic groups in the university are also reflective of good business at De La Salle University-Dasmariñas.

Since De La Salle University-Dasmariñas is a non-profit, non-stock corporation, the net income as termed by profit corporations, or aptly called by the university under study as "excess of receipts over expenses" speaks well of how the institution has sustained all these years. It is a known fact that the annual TFI or tuition fee increase imposed on students is given proper allocation as required by law. The 70% of the increase goes to the salaries for both academic and non-academic staff while the 30% is spent for operating expenses. In the financial statement that is prepared annually, there is an average 16% excess of receipts over expenses before depreciation. This simply shows that the budget is strictly followed and funds are well-managed. It is also worth mentioning that over the years, since it started its operations as De La Salle University-Dasmariñas, there has been no record of net loss

from operations. Although, if the cash flow is to be examined, the cash balance is not really very impressive since excess funds are spent for capital expenditures like infrastructure, or construction of buildings, improvement of facilities and acquisition of equipment for laboratory use and teaching aids. With this in mind, the cash position of the university may not be that liquid but the assets as shown in the university's balance sheet are impressive. After all, these are what should the university have in order to service well the students which comprise the main customers of the institution. This is a come on for enrollees, and it follows that income is generated. With this, the cycle goes on....with the regular growth of enrollment, income generation is assured, which can take care of human resources, people, the asset of the institution. And with such taking good care of its people, i.e. better salaries and benefits, job satisfaction which includes motivation, commitment and loyalty, effectiveness and flexibility and work compliance is something that cannot just be underestimated. It follows that if people are motivated, they become effective, they are flexible and are open to changes and they are committed and loyal to the institution. The institution therefore is assured of compliance and adherence to policies, consistency in operations as well as accuracy and objectivity. These help sustain business for a non-profit and non-stock organization.

With these in mind, the researcher therefore concludes that with management control dynamics in all the dimensions of effectiveness, flexibility and work

compliance, motivation and commitment and loyalty in place and operational, running the university as a business enterprise is assured of sustainability.

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