

PROJECT ABSTRACT

Master of Business Administration
Finance Option

Adventist University of Africa

School of Postgraduate Studies

Title: FINANCIAL SUSTAINABILITY: THE CASE OF COLLÈGE ADVENTISTE DE MAROUA, CAMEROON

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Adequate financial resource is a key fundamental ingredient for the success of any organization and lack of it could lead to the demise of expansion plans in any organization. This research studied the financial sustainability of the Collège Adventiste de Maroua in Cameroon. Through descriptive research design, the researcher collected both qualitative and quantitative data from a sample of 263 respondents, including teachers, staff support employees, administration, parents, ExCom and students.

The study uncovered that the institution is in a dire financial situation. This situation was caused mainly by insufficiency and lack of adequate infrastructure, insufficient number of students enrolled, the inability of the organization to charge appropriate school fees, and the lack of adequate measures aimed at the collection of

outstanding fees. The study, therefore, suggested solutions, including major actions to be taken like the building of new infrastructure, the amelioration of the quality of service offered by the organization, and the seriousness of the administration in the collection of the school fees. In addition, the institution ought to have in place a strategic and financial plan, to diversify the organization revenue, maintain a good leadership style and ameliorate the administration of the finance, ensure teamwork among the management, and an appropriate marketing plan.

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FINANCIAL SUSTAINABILITY: THE CASE OF
COLLÈGE ADVENTISTE DE MAROUA, CAMEROON

A project

presented in partial fulfillment
of the requirements for the degree
Master of Business Administration

by

Tchamaya Ndoumié

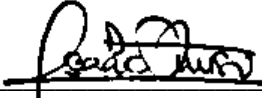
January 2019

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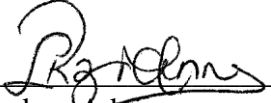
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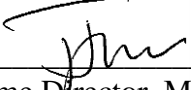
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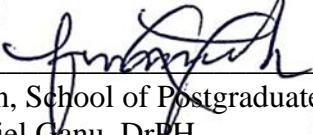
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This project is lovingly dedicated
to my wife, Zaïna Priscile,
to my daughters, Kathleen P. Zda Tchamaya , Gloria P. Mounagui Tchamaya
and Annette Ayimé Tchamaya, without whose patience
and understanding this work would not have been completed,
to my father, Ndoumi Deved, and my mother, Tangoché Ngueléo,
to my sisters and brothers with their families.

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CHAPTER 1

INTRODUCTION

Background of the Study

In any organization, financial resources are seen as one of the fundamental elements to achieve organizational goals. Every organization needs financial resources in order to face its operating costs and to invest for its future survivorship. Unfortunately, most of the organization—whether profit or non-profit—are striving to face their short as well as their long-term charges. Thus, the financial sustainability issue is concerned. A financial sustainability is possible when an organization at first is able to deliver products or services that incomes are covering its current charges and then the surplus revenue can build the sound future capacity of self-support (León, 2001).

In Cameroon, culturally in term of education, two separate systems were used after independence. East Cameroon's was based on the French model and West Cameroon on the British model. At the time, the government perceived the policy as a symbol of integration between West and East Cameroon. The two systems were merged by 1976, but studies suggest the two systems still did not blend. According to the previous general censuses in 2005, 54.80% of the Cameroon's population is less than 19 years old (retrieved from internet). The government has a big challenge for their education.

In its endeavour to educate its young population, the government is supported by four types of private education: the private Catholic schools or training

establishments; the private Protestant schools or training establishments; the private Islamic schools or training establishments; and the private lay schools or training establishments. Since the beginning of the formal education in the country, Christian education has played an important part in the training of the Cameroonians. At the beginning, the government tried to sustain financially these private schools. But actually, the government subsidies are being decreased considerably. In an effort to help the private education, the government is proposing two kinds of subsidies: the free private education and the under contract private education. In the free private education system, the schools are free to apply the school that they agree. They have to teach the official school program of the government or any program agreed by the government. In this system, the government decides unilaterally the amount of the subsidies to give to the school. In the second case, the school's founder signs a contract with the government and they become partners. In this contract, the school cannot apply any other school fees than the school fees fixed by the government. In return, depending on the term of the contract, the government has to provide teachers, didactic materials and all other support that it can. But the question that has the merit to be asked is about the quality of the personnel that will be sent by the government. Will they respond to the philosophy of these private schools? Will the government satisfy the needs of the institution in term of teachers? A simple observation to the government schools does not encourage this last option. To respond to this disquiet, the Protestant schools opt for the free private education system.

The **Collège Adventiste de Maroua**, as a private high school founded by the Seventh-day Adventist Church, is functioning under the free private education. The school was founded in 2001 by the North Cameroon Conference of the Seventh-day Adventist Church to achieve the mission of the church: forming human beings in a

holistic manner for the present and the future world. It belongs to the private confessional education in Cameroon. Since its goal is not the wealth of the shareholder, it is a Non-Profit Organization belonging to the church. Although its operations are regulated both by the government and the church rules or policies, as an SDA institution, the school has the obligation not to sell its core value by contracting with the State which can send teachers who are not embracing its philosophy. Like so many of the non-profit organizations, without the consistent support from the government, the institution is faced with financial challenges.

Statement of the Problem

The SDA Church requires all of its institutions to have financial autonomy and sustainability. This requirement concurs with the government regulation in reference to law N°2004/022 of 22 July 2004 enacted by the President of the Republic of Cameroon, section 10 fresh line 2 and 3, “(2) The proprietor of a private school or training establishment shall assume civil, administrative, financial and pedagogic responsibility therefore. (3) He shall therefore be bound to ensure its proper functioning.” However, Collège Adventiste de Maroua has been facing dire financial constraints, leading to its inability to pay the salaries of workers. This is evident in the liquidity and profitability ratios it has achieved over the past few years, as presented in the following table.

Table 1. Liquidity and Self-support Ratios

Years	2012	2013	2014	2015	2016
Liquidity rate	52%	6%	-3%	-5%	7%
Self-support	129.97%	83.12%	82.00%	80.61%	92.00%

This situation is attributable to the reduction in the number of students, the inability of the administration to charge appropriate school fees, and the lack of good financial policies. The purpose of the study was to identify key elements that could ensure financial sustainability.

Research Questions

1. What has been the financial performance of College Adventist de Maroua from 2010 - 2016?
2. What are the perceived reasons for the current financial condition of College Adventist de Maroua from the perspective of Administrators, Executive Committee, Students, and Parents?
3. What are the possible solutions as proposed by the following stakeholders: Administrators, Executive Committee, Students, and Parents?
4. What financial strategy can be put in place to improve the financial sustainability of College Adventist de Maroua?

Significance of the Study

All the managers of an organization are required to use the resources of the organization for achieving the organization's goal. The absence or the lack of these resources is an obstacle to the institution's development, causing damage to its functioning and its survivorship. This project makes several contributions on both knowledge building and practices improving the non-profit financial management.

Firstly, this study contributes to research by unearthing how the key elements of financial sustainability work and how to implement it in the case of our project.

Secondly, since the research focuses on the financial sustainability—and so far, as the financial resources are inescapable within an organization—this study is

useful for any organization (profit as well as non-profit organization) in general.

Particularly, it is helpful for the Collège Adventiste de Maroua since the management can apply the results of the study.

Scope and Limitations of the Study

The study focused on the factors influencing the poor financial performance of the organization, determinants of sound financial sustainability for an organization, and the kind of type of financial plans needed to attain the financial goals of educational institutions.

This study examined Collège Adventiste de Maroua and its activities within the period 2010 to 2016. Being a denominational institution, it is expected that its financial policies may differ from other public or privately-owned schools that are not denominationally-owned. In addition, results from the study may not apply to non-denominationally owned and operated institutions.

As part of the research effort, the literature review on financial sustainability identified the major challenges common to the non-profit organizations in terms of financial sustainability.

Operational Definition of Terms

Financial plan: A financial plan is a comprehensive evaluation of an investor's current and future financial state by using currently known variables to predict future cash flow, asset values and withdrawal plans.

Strategic plan: A design set up based on the statement of the organizational vision, mission and core values in order to achieve the goal of the organization. It can be also defined as a systematic process of envisioning a desired future, and translating

this vision into broadly defined goals or objectives and a sequence of steps to achieve them (retrieved from internet).

Income diversification: It is a practice under which a firm enters an industry or market different from its core business. The reasons for diversification include the reducing risk of relying on only one or few income sources, the avoiding cyclical or seasonal fluctuations by producing goods or services with different demand cycles, the achieving a higher growth rate, and the countering a competitor by invading the competitor's core industry or market. (Retrieved from internet)

Leadership: It is the activity of leading a group of people or an organization or the ability to do this. It can refer to the individuals who are the leaders in an organization, regarded collectively. It involves establishing a clear vision, sharing that vision with others so that they will follow willingly, providing the information, knowledge and methods to realize that vision, and coordinating and balancing the conflicting interests of all members and stakeholders. (Retrieved from internet)

Administration: The interpretation and implementation of the policy set by an organization's board of the directors.

Finance: According to Khan and Jain (as cited in Paramasivan&Subramanian, no date), "Finance is the art and science of managing money." For Oxford dictionary (as cited in Paramasivan & Subramanian, no date), the word 'finance' connotes 'management of money.' Webster's Ninth New Collegiate Dictionary (as cited in Paramasivan& Subramanian, no date) defines finance as "the Science on study of the management of funds" and the management of funds as the system that includes the circulation of money, the granting of credit, the making of investments, and the provision of banking facilities.

Teamwork and management: The teamwork process of working collaboratively with a group of people in order to achieve a goal. For the management, it is defined as the organization and coordination of the activities of a business in order to achieve defined objectives (Retrieved from internet)

Marketing process: The management process through which goods and services move from the concept to the customer. It includes the coordination of four elements called the 4 P's of the marketing: the identification, selection and development of a product; the determination of its price; the selection of a distribution channel to reach the customer's place and the development and implementation of a promotional strategy (Retrieved from internet).

Sustainability: is a measure of an organization's ability to fulfil its mission and serve its stakeholders or recipients over time. For a non-profit organization, sustainability means broader sources of funding and an enhanced ability to deliver vital services to target populations (Abt Associates Inc, n.d.).

Financial sustainability: in the broad sense, it is the ability of the administration to have and maintain the financial capacity of the organization over the long-term period. According to the Abt Associates Inc (n.d.), "Financial sustainability can be gauged by an organization's net income (the surplus of revenues over expenses); liquidity (the cash available to pay bills); and solvency (the relationship of assets and debt or liabilities)."

Collège Adventiste de Maroua (CAMRA) a French expression designates the institution's name of the private education high school belonging to the Seventh-day Adventist Church in the city of Maroua, the headquarters of the Far North Region in Cameroon. It was created in 2001 by the North Cameroon Conference in order to contribute to the redemptive mission of the church.

CHAPTER 2

REVIEW OF LITERATURE

This chapter presents the review of the concepts, the principles of sustainability and the studies from the literature that is related to the major variables of this study. It is the aim of this chapter to review the points of current knowledge about these major variables.

Definition

Broadly, sustainability refers to the ability of administrators to maintain an organization over the long term. For both for-profit and non-profit organizations, financial capacity consists of resources that give an organization the ability to seize opportunities and react to unexpected threats while maintaining general operations of the organization. It reflects the degree of managerial flexibility to reallocate assets in response to opportunities and threats. Financial sustainability refers to the ability to maintain financial capacity over time. Regardless of an organization's for-profit or non-profit status, the challenges of establishing financial capacity and financial sustainability are central to organizational function (Bowman, as cited in Sontag-Padilla et al., 2012).

However, the definition of financial sustainability may vary widely between for-profit organizations and non-profits (defined as organizations that use surplus revenues to achieve their goals rather than distributing them as profit or dividends), depending on the business structure, revenue structure, and overarching goal of the organization. Maintaining the ability to be financially agile over the long-term may be

especially important for non-profits, given that many of them serve high-need communities that require consistent and continually available services. With this in mind, the goal of financial sustainability for non-profits is to maintain or expand services within the organization while developing resilience to occasional economic shocks in the short-term (e.g., short-term loss of program funds).

Others researchers classify sustainability in many ways or types. The most common are: The organizational sustainability, the sustainability of services and the financial sustainability

- Organizational sustainability occurs when an organization develops the ability to secure and manage sufficient resources to enable it to fulfil its mission effectively and consistently over time without excessive dependence on any single funding source; it means there is a diversification of resources.
- The sustainability of services refers to the ability to offer services over long time regardless of external fund; these services cannot be effective without the financial resources.
- Financial sustainability can be gauged by an organization's net Income, liquidity, and solvency. The critical view show that all the various kinds of sustainability converge on one point: finances issues. The lack of financial resources within the organization undermines for the organization's activities. According to Leon (2001), in term of financial sustainability of a non-profit organization, there are four pillars to consider: the financial and strategic plan, the income diversification, a sound administration and finance, and an own income generation.

Factors impacting Financial Sustainability

As part of the Adventist High Educational Institutions financial weaknesses, Nasution (as cited in Afriyie, 2015) suggested that “leadership, insurance coverage, long-term investment, financial performance, generation of income, and the sustainable growth rate, were the areas which these institutions did not pay attention to” (p.19). These points evoked are essential for an organization’s success.

Many others researchers found out that there are many factors impacting financial sustainability for non-profit organization. According to Lin (2010), there are four contextual factors that contributing to the non-profit financial sustainability: the organization structure and capacity, the management, the fund development efforts and the operating environment. According the research made by the Abt Associates Inc (n.d.) on the NGO financial sustainability, operating environment, national and local politics and policy, the activities of other organizations, the ability of skilled personnel are some factors influencing the sustainability of an organization.

For Léon (2001), there are four pillars of financial sustainability for non-profit organization: the financial and strategic plan, the income diversification, the sound administration and finance, and the own income generation.

Although these researches list globally the factors that can influence the sustainability for non-profit organization, it should be noticed that every organization is unique and different. For the CAMRA, the following framework for its financial sustainability can be adopted.

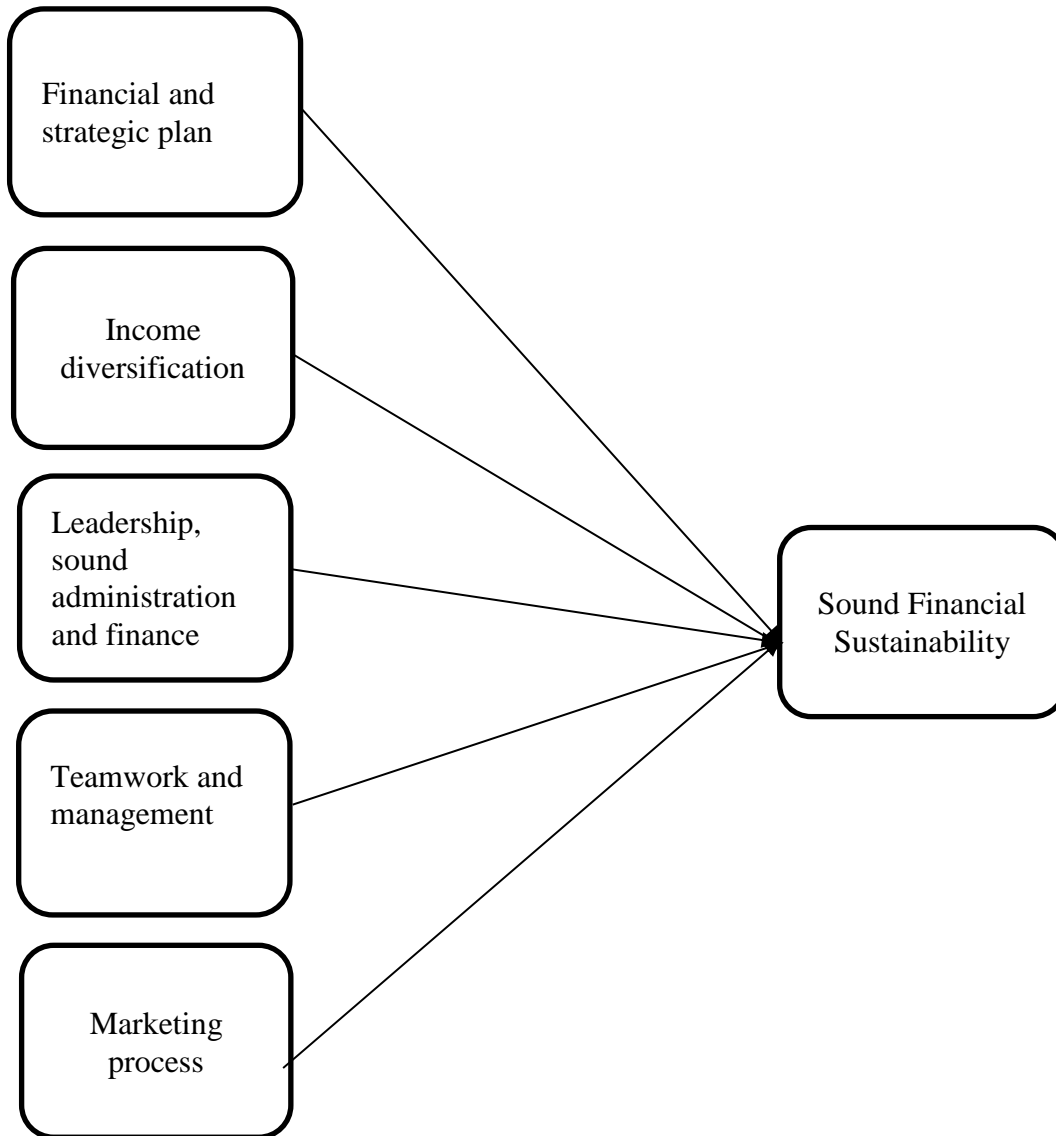


Figure 1. The conceptual framework of financial sustainability

The Instigators Factors (Pillars) of the Financial Sustainability

Financial and Strategic Plan

For Thompson et al. (2016), “a company’s strategy is the set of actions that its managers take to outperform the company’s competitors and to achieve superior profitability. The objective of a well-crafted strategy is not merely temporary competitive success and profits in the short run, but rather the sort of lasting success that can support growth and secure the company’s future over the long term” (p.3).

According Armstrong and Stephens (2005), “Strategy consists of a statement or an understanding of what the organization or a part of it wants to become, where it wants to go and, broadly, how it means to get there. Business strategy in a commercial enterprise answers the questions: ‘What business are we in?’ and ‘How are we going to make money out of it?’” (p.67). The strategic plan has to deal with the set of strategies to be taken to give to the firm a competitive advantage over its competitor and to accomplish its mission. It is so allied to the vision, mission and the core values of the organization. Activities are not only based on planning but the management must implement, monitor and evaluate the strategies stated. The monitoring and evaluation give to the organization the opportunities to change strategy based on the current environment analysis.

The importance of the strategic plan. Commonly, people think that it is a waste of time and resources to set up a strategic plan for the organization. The reality is that the strategic plan is costly for the organization in terms of time and resources. If an organization is to be effective, there is the need for a strategic plan. For Thompson et al. (2016), “there are two big reasons. First, a clear and reasoned strategy is management’s prescription for doing business, its road map to competitive advantage, its game plan for pleasing customers, and its formula for improving performance. [...]. Second, even the best of strategies will lead to failure if it is not executed proficiently. The process of crafting and executing strategies must go hand in hand if a company is to be successful in long term” (pp. 12-13). According to the Abt Associates Inc(n.d.), “It charts a course for an organization to follow and provides a framework for making decisions and reacting to changes in the operating environment. By outlining concrete programs and activities through which the organization will achieve its objectives, the strategic plan also helps the organization

better estimate its requirements for human and financial resources and helps ensure that the organization does not either undertake activities that are out of line with its strategic objectives or overcommit its resources. Finally, the strategic plan provides a tool for monitoring and evaluating the organization's progress toward reaching its goals and objectives" (p.36). Therefore, the organization that has not a strategic plan is like a blind without guide. The strategic plan help the organization to clarify its mission and objectives as well as prioritize the actions needed to accomplish them.

The financial plan. The financial plan is a financial design based on the statement of the organizational vision, mission and core values in order to achieve the goal of the organization. How does the manager plan the organization's finances for both long and short term?

The short-term finance has to deal with the current assets and the current liabilities. The organization should know the activities that increase or decrease its cash and its current assets. According Ross et al. (2013), some activities as increasing long-term debt, equity, current liabilities, decreasing other current assets than cash and decreasing fixed asset are sources of cash for the organization. The adverse activities will give the adverse result (the decrease in cash). The organization has to know also its operating and cash cycle.

The operating cycle is the length of time from acquiring some inventory to the time the cash is collected from customers; the inventory period and the account receivable period are the two elements of the operating cycle. For the cash cycle, it is the length of time that passes before the collection of the cash, measured from when the inventory is paid; it is equal to the operating cycle minus the account payable period (the length of time to pay the creditors) (Ross et al., 2013). The objective of these cycles is to avoid cash shortage. It serves as a guideline in order to know when

to arrange to finance the activities. In the educational institution context, the cash cycle will be so the length of the time before school fees are collected from students, measured from the date that the school has to deal with the monthly payment of salary and other administrative fees.

The long-term finance has to deal with how the organization finances its long-term projects. How to raise cash for financing its long-lived assets?

For the financial plan of the organization, major steps to take in consideration are the review of the strategic plan, and the financial projection of the organization, based on financial objective. The next step is to establish the needs of the organization in term of financing and the measures to take in case of emergency. The last action is to evaluate and control the implementation.

- Review of the strategic plan

Financial planning must begin with the company's strategic plan. Thinking about what the organization wants to accomplish during the life of the plan. What to accomplish during in short, medium and long term?

- The financial projections

The financial projections can be done on the yearly, half-yearly, quarterly, monthly and weekly base. Based on the sales or income forecast, the organization can make projections for its anticipated earnings and its anticipated expenses for labor, supplies, overhead, etc. A statement of earnings (profit and loss) and a forecast balance sheet can be prepared and it shall take in consideration the more likely, optimistic, and pessimistic scenario. The optimistic scenario assumes a rapid growth, the likely assumes the moderate and the pessimistic scenario assumes the slow growth.

- The plan for financing

The financial projections can determine the financing needs of the company.

When there will be a need of the financing, the organization has to meet its financial partners in advance to discuss the options.

- Plan emergency measures

A financial plan which does not take in consideration the emergency case is not a good financial plan. What will the firm do in case of unforeseen financial problems? It is advisable to provide sources of funds to use in an emergency. It can be a cash reserve or a largely unused line of credit.

- The monitoring of the financial plan

During the execution of the financial plan the company should compare its projections with actual results to see if they come true or if there is a need of adjustment.

The link between the financial and strategic plan. The main question is to know if the organization has a strategic plan which set up the activities in term of high, medium and low priorities and to know how much it will cost to implement the actions described in the strategic plan.

As an organization, how much can we generate? To respond to this question, some criteria should be taken in account. What is the size of the organization? How much is needed to perform the activities of the organization? “While we all want to generate a lot of income, it is imperative that we know the minimum we must raise to achieve the proposed objectives related to fulfilling our respective missions and covering administrative costs” (Léon, 2001, p. 15). It means that as an organization, we need to have our financial and strategic plan that will lead us through our day-to-day activities.

According to Bowman (as cited in Sontag-Padilla et al., 2012), “An organization sustainable in the long-term but unsustainable in the short-term will be chronically short of cash. Conversely, an organization sustainable in the short-term but not in the long-term may have adequate cash but inflation will cause the value of its assets to erode over time. This, in turn, will cause the quantity and quality of services to diminish unless capital campaigns periodically bring infusions of new assets” (p. 94).

In fact, it is the strategic and financial plan that can depict the financial position of an organization. In the profit organization, the ultimate goal is to increase the wealth of the shareholder. It is not the case for a non-profit organization; its outcomes are merely a mean to achieve its social mission. Thus, its ability to achieve the social mission and its financial sustainability are linked. The financial sustainability should not concern only the present, but the long-term goals are also concerned. Therefore, as a non-profit organization the ultimate goal is to find out the plan that identify opportunities to manage the short-term while making progress toward meeting the long-term social and financial objectives.

There is a need for a strategic plan, but to perform the day-to-day activities the organization have to set up a financial plan. Although the financial plan appears similar to the budget, the difference is its ability to change frequently based on income. Its ultimate purpose is to determine if the organization would have sufficient financial resources in medium in order to achieve the objectives described in the strategic plan.

Income Diversification

What are the sources of the organization’s income? What is the size of each source’s contribution on the budget of the organization?

The principle that organizations should not be dependent on one source of revenue applies to both profit and non-profit organizations.

It is not easy for an organization to base its activities on one source of income. In terms of investment, the diversification in a portfolio helps to minimize the risk. Mensah (as cited by Owusu-Dankwa, 2015) attests that “An important aspect of portfolio management is diversification – that is, you do not want to put all your eggs in one basket. For example, it is a lot riskier to have all your funds in one share than to have your funds spread over say five shares. The important quality of a portfolio is that it can reduce investment risk without necessarily reducing expected return.” (Slide No 31). Therefore, as an organization in order to minimize the risk of liquidation, there is a need of income diversification.

Diversifying resources appeals for many factors. They are as follows:

Contributions to a trust or endowment fund. The objective is to generate financial resources from by investing in the marketable securities. Within any organization, there is a moment where the organization is performing well. During the time of the “greasy cow,” some surplus can be observed. It is advisable during that moment to invest in marketable securities. The income that can be generated will be used to achieve the organization goal. This practice includes separating the bank account from the endowment fund. The endowment fund will not be spent by the organization, but it is generating a surplus through the investment in securities.

Fundraising for institution building or operations and Income generation through public contributions. It refers here to requesting for donations or engaging in fundraising in order to secure the needed funds for the activities of the NGO.

According to a research made by the Abt Association for the count of the United Stated Agency for International Development (USAID) “There are varying degrees of

sustainability, and therefore some organizations are more sustainable than others. The “starting point” is different for each organization: each has strengths that can be enhanced and weaknesses that can be improved upon. For example, some organizations may always require international donor funding, while others may be able to generate sufficient funds through cost recovery and local donations” (p.21). As an NGO, there is a necessity of evaluating its needs and to find out the way by which the fund can be raised. Studies lead by Sontag-Padilla (2012) observed that in contrast to for-profit organizations, non-profits in the United States depend on a diverse set of funding sources and streams of funding to sustain their operations, with most non-profits receiving funding from at least four different sources: (1) the federal government and state and local government agencies; (2) financial institutions; (3) foundations; and (4) philanthropic organizations. Streams of funding for non-profits are delivered in a variety of ways and typically include grants/contracts, fee for service, donations, and foundation grants within and outside of an agency’s service area. It is common for funding streams and sources to become somewhat established and to provide a level of stability for organizations with the savvy to maintain a flow of funds from annual or multiyear grants and support. Non-profit leaders perceive government and foundation support as essential for their organization’s financial viability, but recognize that there are challenges associated with reliance on grants, contracts, and other sources of government or foundation funding. In a study of 26 health, human services, and community and economic development organizations in Mississippi, Besel et al. (as cited by Sontag-Padilla et al., 2012) found that study participants expressed reservations about their organizations’ reliance on government funding for their operations, due to considerable restrictions on how public funds can be utilized and the relatively large amount of time and resources consumed in

complying with state and federal requirements. Additionally, overreliance on government-contract funding may lead to the hiring of temporary staff, which may have negative implications for staffing patterns and delivery of quality services. In a case study of the Canadian Red Cross in the Toronto region, reliance on contract-based funding led to challenges with employee retention. Although contract funding has some benefits (e.g., providing opportunities for new programs), temporary staffing may be detrimental to a non-profit's delivery of services and mission impact, as it may not only affect employee recruitment and retention but also negatively influence employee morale and training practices. Constant turnover or continually shifting staff responsibilities to align with short-term contract requirements may prove to be expensive to maintain in the long term, and ultimately reduces the effectiveness of the services non-profits provide to their communities (pp. 7-8). As the literature show below, being reliant to the outside fundraising for the organization is not salutary. For the non-profit organization with the internal financing resources, the emphasis should be on how to perform and to excel the activities that bring revenue to the organization.

Income generation through establishing businesses related to a specific mission. According to Léon (2001), this situation denotes that “a non-profit organization identifies a business opportunity and, at the same time, recognizes the existence of various factors conducive to creating a separate entity rather than managing the initiative at the program or project level” (p.19). Apart the current activities of the firm, what other activities can be created separately in order to generate additional income? Although the surplus income is necessary for the organization, it may not be able to perform the activities for which they were

generated; where the necessity to ally all others additional activities to the mission statement.

Income generation through financial management. Management is concerned when there is need to plan, to lead, to decide and to exercise control. Financial management is the ability to plan, to make decisions and to control the financial resources in order to use it efficiently and effectively. How to generate income from financial management?

Firstly, through the financial management, managers by using financial management tools like the NPV, the IRR, the payback period, the MIRR and so on, can evaluate the profitability of any project before taking a wise action.

Secondly, the management of cash can generate the revenue. According Ross and al. (2013),

Managing short-term cash flows involves the minimization of costs. The two major costs are carrying costs (the interest and related costs incurred by overinvesting in short-term assets such as cash) and shortage costs (the cost of running out of short-term assets). The objective of managing short-term finance and short-term financial planning is to find the optimal trade-off between these costs. (p.823)

With this level of the optimal trade-off between the costs the organization can take advantage of the financial management whether it generates a little or a lot of income. The organization can know what amount of cash to hold to face its obligations.

Income generation through the sale of goods and/or services. Many organizations use goods or services income generating strategy. It is the main source of revenue for many profits as well as non-profit organizations. The sale of goods is

different from the sale of services based on their specificity. According to Peter and Donnelly (2013), while goods are usually produced and sold by different people, the services are often inseparable from the producer; it is offered by the producer and consumed at the same time by the consumer. It is necessary for organizations that sell services as well as goods to focus their attention on the key resources of the organizations in order to excel in their activities of selling goods or services. Marketing tools as well as Human Resources are directly involved.

However, it is not sufficient to diversify the income sources without looking to the size of each source in the budget in order to evaluating each source.

Leadership, Sound Administration and Finance

For Colquitt et al. (2013), the leadership is the use of power and influence to direct of the activities of the followers toward goal achievement. That direction can affect followers' interpretation of events, the organization of their work activities, their commitment to key goals, their relationships with other followers, or their access to cooperation and support from other work units (p.450).

To accomplish this duty, the leader has to be a permanent student. According Charan (2008), he has to firstly, identify what his/her potential is, then find ways to nurture that potential and finally be aware of those things that can derail you as your potential develops (p.153).

Characteristics of an Effective Leader

The question is to know why some leaders are more effective than others. This question is not a new one. Researchers tried to ask from different perspectives. Early, Stogdill quoted by Colquitt (2013), suggested that "leaders are born, not made." This concept focused on physical features (gender, physical attractiveness, height, etc).

Later, comes the concept of effectiveness based on personality and ability. Actually, leadership scholars acknowledge that the traits are more likely that they predict the emergence of a leader than the effectiveness of a leader. Three points are to consider about the leader's effectiveness: the decision-making styles, the day-to-day behaviors and the transformation leadership behavior.

The participants to a research conducted by Thomas Gordon (2001) on leader's effectiveness classified their responses as following:

- Communication: listens with understanding; willing to discuss problems; open to ideas; gives time to listen;
- Supports and helps; backs you up; is on your side; remembers your problem;
- Uses team approach; helps group reach better decisions; facilitates cooperation;
- Avoids close supervision; does not over-boss; does not dictate or rule by the book;
- Delegates authority; trusts group; relies on their judgment; permits group decisions; has faith in the creativity of others;
- Communicates openly and honestly; tells you what he thinks; you can trust what he says;
- Brings out best in his people; has common touch with the workers (p.19).

Sound administration and finance. According to the Abt Associates Inc (n.d), "Financial stability and growth are typically monitored by three measures:

- Net income: the surplus of revenue over expenses
- Liquidity: the ability to meet cash requirements to pay bills
- Solvency: the relationship between assets and debt or liabilities" (p.22).

These measures will indicate a better position of financial sustainability when used in combination rather than lonely.

A research conducted by the Education Counts on the public tertiary education institutions in New Zealand about the key financial performance indicators for tertiary education institutions, identified the following as the key performance indicators: “the operating surplus; the liquid assets; the working capital; and the net cash flow” (p.1).

The way the institution is managed has a great influence on its performance globally and specifically on its financial performance. According to Léon (2001), “Efficient procedures for administration and finances are governed by a series of institutional policies that help us make the most of our resources and ensure transparency in fiscal management. Moreover, these procedures must enable us to anticipate the organization’s financial standing and, ultimately, make appropriate decisions in a timely manner. Efficient procedures also allow us to generate income through the financial management of available assets.” Apart from the need for transparency in terms of the fiscal management, a good administration of finances helps the organization to state a salutary decision in order to secure financial sustainability. It is necessary to mention that despite the financial and strategic plan, the income diversification as well the sound administration and finances, a non-profit organization cannot depend only on the external resources.

The Team Work and Management

The Human Resources. According to Liu et al. (2007), human resource management has significant value for organizational performance. Therefore, it is recommended for managers seeking to enhance their firm’s level of success to invest in (1) Human Resources planning, (2) compensation level, (3) incentive compensation, (4) training, (5) internal promotion, (6) employment security, (7)

participation, (8)selectivity, (9) grievance procedures, or (10) flextime (in that order) in order to yield benefits in terms of increased productivity, decreased employee turnover, and greater financial returns. The Human Resources is one of the key elements within an organization. Ignoring and/or relegating its value to the second place or negating its importance within an organization is not profitable. As the organization, the human resource must have a central place.

The teamwork process and management. A team is an association of two or more people who work interdependently in order to accomplish a common goal. An African adage says, “One hand cannot shred a chicken.” What someone cannot accomplish alone, it is realizable in a team. According Colquitt et al. (2013), “teams are special for two reasons. First, the interactions among members within teams resolve around a deeper dependence on one another than the interactions within groups. Second, the interactions within teams occur with a specific task-related purpose in mind” (p. 346). The members of the team are interdependent among them regarding the information, materials and task to accomplish their goals. Producing goods or services is their goal and when the team is functioning effectively, each its member is highly involved.

The management team is relatively permanent team that participates in the managerial-level tasks that affect the entire organization. It is responsible for the coordination of activities of organizational subunits. In the case of the school’s institution, the various head of department can constitute a management team.

The Marketing Process

Defined by the American Marketing Association (as cited by Peter and Donnelly, 2013) as an “activity, set of institutions, and processes of creating, communicating, delivering, and exchanging offerings that have value for the

customers, clients, partners, and society at large” (p.5), marketing is inescapable within an organization. The issue of what marketing concepts, principles and techniques are usable for the organization should be thoroughly discussed. This would lead to developing an appropriate marketing plan to be implemented to enhance the sale of goods and/or services.

The external factors, such as the purchasing power of the population, the saturation of the market, the perceptions of the clients, and the cost of the competitors should be analyzed. There are also other factors that are related to the organization: the politic of the institution based on the mission statement, the cost of the goods or services, the quality of the goods or services offered, the intensity of the promotion as well as the place or the site where the goods or services are sold.

CHAPTER 3

RESEARCH DESIGN AND METHODOLOGY

This chapter presents the basic techniques and tools for data collection and analysis. It shows how data was collected and subsequently analysed. The chapter discusses the area of study, the research design, the population, and data collection methods as well as data analysis techniques.

Research Design

The researcher's work was based on descriptive design with the use of qualitative and quantitative data in order to investigate, describe and determine the type of plan for sound financial sustainability.

Population and Sampling Procedure

The population of the study comprised all workers at the College: Administrators, teaching staff, non-teaching staff, parents, Excom and students. The target population who were present in the focus group discussion were the teachers' group, the staff support employees' group, the administrator group, the parents' group, the Excom group, and students group divided in four classrooms.

The research basically targeted the population of the educative community of school: the personnel, the ExCom, the students and their parents. The total sample of 194 students was used and was divided into 25 focus group discussions. The group of parents was divided into 5 focus group discussions and a population of 42 parents was present during the discussion. There were four other group discussions: the group of

the ExCom with a population of 10, the group of teachers with a population of 8, the group of staff support employees with 4 workers and the group of the administrators with 5 people. In total a sample of 263 people was present and they were divided into 34 focus group discussions.

As the sampling technique, the disproportionate stratified random sampling procedure was used. According Sekaran & Bougie (2013), it is used when the researcher estimates that the use of proportionate stratified random sampling is not be relevant for his work since the members of the level concerned are few in term of number. Since the workers are more concerned within the organization than students and their parents, the following sample was used.

Table 2. Sample Distribution

Categories of Respondents	Population	Sample
The administration	6	5
Teachers	11	8
Other workers	5	4
Students	1063	194
Alumni	Undetermined	10
Parents	Undetermined	42
TOTAL	Undetermined	263

Instrument for Data Collection

For the purpose of data collection on the study, the main instrument used was the interview with focus group discussion. For the first research question, the one-on-one interview with the school treasurer and principal was used. From the treasurer, we got information concerning working capital, liquidity, self-support, the number of the students, the school fees collected, the school fees budgeted and the school fees recovery ratio to supplement the interview. For research question two and three, focus

group discussions were stated. The groups of the administrators, teachers, non-teachers' staff, EXCOM members, students, and parents were stated. The qualitative data was derived from the financial statements of the Institution. Based on the data collected, strategies were stated to find out a plan for a sound financial plan for the organization.

Ethical Considerations

The collection and the use of the data took into consideration the ethical issues associated with any research: the privacy and protection of the respondents, confidentiality of data collected and seeking consent from participants to take part in the study. After the researcher was introduced by the principal to each group, to avoid biases with some groups, especially the groups of the workers, just after introducing the topic and the problems to discuss, the group was left alone to hold their discussions without the presence of the researcher. They designated one of them in the group concerned as the reporter.

Data Collection Procedure

In response to the official request to the Principal of the school by the administration of the Adventist University of Africa, the Headmaster of the College gave permission to meet the targeted population and to hold discussions with each group. In each focus group, one person was designated as the secretary and the information was coming back to the researcher through the designated secretary in form of paper. In some groups where the researcher was present, to be sure that all the elements were written, he checked by reading to the respondents their responses and asked them for more explanation when needed.

Method of Data Analysis

For the financial data of the organization, based on the financial principles of the working policy of General Conference of the Seventh-day Adventist Church (2008), the data were compared to the standard of the Seventh-day Adventist Church requiring a financial autonomous of all its organizations and fields and conclusions were made in order to know if the organization is sustainable or not. With the responses of the participants to the focus group interview, the data was classified by the function of the respondents and the responses were analysed.

CHAPTER 4

RESULTS AND DISCUSSION

The chapter presents the results of findings on the research on the financial sustainability: the case of Collège Adventiste de Maroua. The data was collected through interview from the various respondents as described in chapter three of the research.

The first research question describes what has been the financial performance of the Collège Adventiste de Maroua from 2011 – 2016. The second research question is about the perceived reasons for the current financial condition of the Collège Adventiste de Maroua from the perspective of Administrators, workers, Executive Committee, Students, and Parents. The third research question is to find the possible solutions as proposed by the stakeholders. And the last research question is to find out the financial strategy that can be put in place to improve the financial sustainability of the “College Adventiste de Maroua.”

Characteristics of Respondents

The respondents can be classified according gender, the level of education, years of service for the workers. Table 3 on the next page summarizes the demographic information of the respondents.

Classification by Gender

Table 3. Gender

Gender	Frequency	Percentage
Male	181	71.54
Female	72	28.46
Total	253	100.00

The table above shows that there are more men than female who participated in the study. Out of 246 respondents, 181 were male representing 71.54% of the sample and 72 were female, representing 28.46% of the sample.

Distribution of Respondents by Level of Education

Responses to the question regarding the level of education of the respondents are presented in Table 4 below:

Table 4. Levels of Education

Level of Education	Frequency	Percentage
3è (form 4)	80	30.42
2ndeC (form 5)	22	8.37
1ère C&D (form 6)	28	10.65
Tle A4	64	24.33
Bachelor degree	9	3.42
Master degree	4	1.52
Professional qualification	4	1.52
Undetermined (ExCom & Parents)	52	19.77
Total	263	100.00

The table above indicates that 30.42% (80) are in form four, 8.37% (22) are in form five, 10.65% (28) are in lower sixth, 24.33% (64) are in upper. The holders of the bachelor degree represent 3.42% for 9 workers. 1.52% (4) and 1.52% (4). The percentage of 19.77% (52) represents the number of parents present on the interview.

Distribution of Respondents by Position

Table 5. Distribution by position

Function/Profession	Frequency	Percentage
Administrators	2	0.76
School head of department	3	1.14
Teachers	8	3.04
Other workers	4	1.52
Parents	42	15.97
ExCom	10	3.80
Students	194	73.76
	263	100.00

Table 3 shows the distribution by position. The administrators are 2 and represent the percentage of 0.76%, there are 3 heads of department representing 1.14% of the sample. The teachers are 8 and they represent 3.04% of the sample. The other workers are 4 and it represents 1.52%. The parents are 42 and they represent 15.97%. The ExCom members are 10 for 3.80% of the sample and the students are 194 and they represent 73.76% of the sample. Among the sample, there are 6 members of the board of directors.

**Financial Performance of the Collège Adventiste
De Maroua from 2011 to 2016**

To understand the financial performance of the CAMRA, through the finance department the data below were collected. Through the data concerning the working capital, the liquidity and the self-support, the study sought to determine if the organization can fix its short-term commitments and can have a surplus for anticipation of its long-term activities. The data concerning the number of students, the school fees budgeted and collected will help the researcher to understand the reason of the current financial condition of the organization.

Table 6. Financial performance of the CAMRA from 2010 to 2016

Year	2010	2011	2012	2013	2014	2015	2016
Working capital	-42%	30%	115%	80%	-26%	-156%	-135%
Liquidity rate	33%	84%	52%	6%	-3%	-5%	7%
Self-support	86%	118%	130%	83%	82%	81%	92%
Number students	1,006	1,078	1,022	720	740	671	787
School fees collected	\$74 768	84,525	99,569	57,218	59,195	54,900	85,791
School fees budgeted	80,450	97,000	103,580	80,200	79,800	82,100	92,250
Rate of recovery	93%	87%	96%	71%	74%	67%	93%

The Working Capital

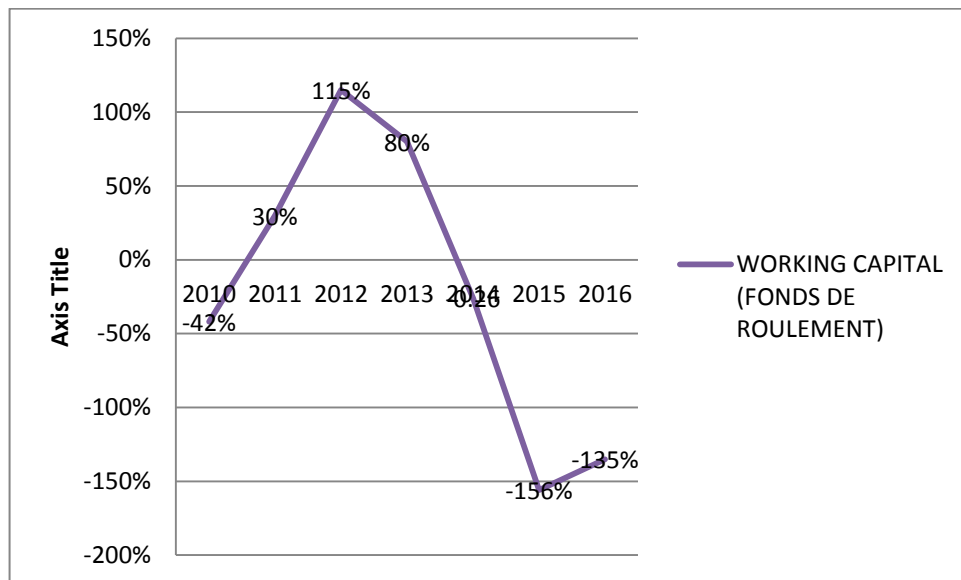


Figure 2. Working capital

From 2011 to 2016, the year where the working capital is greater than 100% is 2012 with 115%. In the other years, it is below the level of the 100%. The situation becomes critical from 2014 to 2016, where the working capital is less than zero percent.

When the working capital of an organization is less than 100%, it means that the organization cannot deal with its current commitment even it takes in consideration its current assets. The situation can occur in three conditions: (a) may be the organization invests too much in fixed assets, (b) maybe it is engaged in many commitments or (c) the current assets make default because of the reduction of income resources. A simple analysis of the table above shows that the number of students slows down from 2013 to 2016. This situation can be the reason for what the working capital is less than the required one (at least 100%).

The Quick Liquidity Ratio

It is equal to the quick assets divided by the current liabilities. It helps to understand the liquidity in a business and the potential ability to meet current obligations. The below graphic summarizes the liquidity statement of the organization from 2010 to 2016.

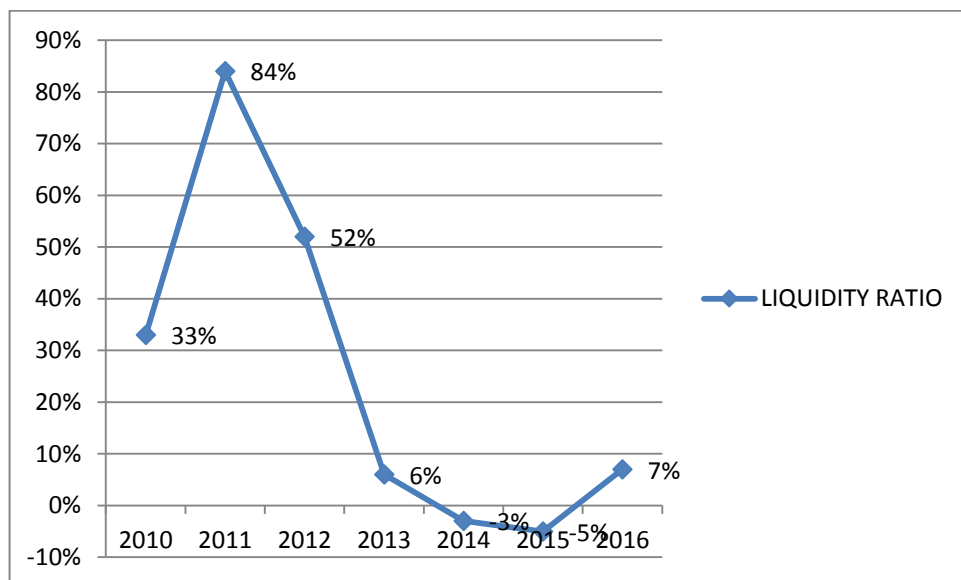


Figure 2. The liquidity ratio evolution

The liquidity ratio deals with the question: will the firm be able to pay its debts when considering its cash on hand? The firm is considered as solvent when its liquidity ratio is over 100%. The analysis of the liquidity ratio of the Collège Adventiste de Maroua as in the graph shows that the pick of the liquidity ratio during the period of seven years is 2011 when the liquidity ratio was 84%. It means even in that moment; the organization is not capable to pay off its debts. From 2011 to 2015, the liquidity ratio drops down drastically. 2014 and 2015 were the years where the ratio was less than zero. Even in 2016 where the ratio is over zero, the financial

situation is still very weak. Hence, based on the analysis of the liquidity ratio, the organization is facing a very critical financial situation.

The Profitability Ratio: the Self-support Ratio

The self-support of an organization shows if the organization is profitable or not. Specifically, for the organization that we are studying, it calculates the total income over the total expenses in the year. The following graphic presents the self-support of the organization from 2010 to 2016.

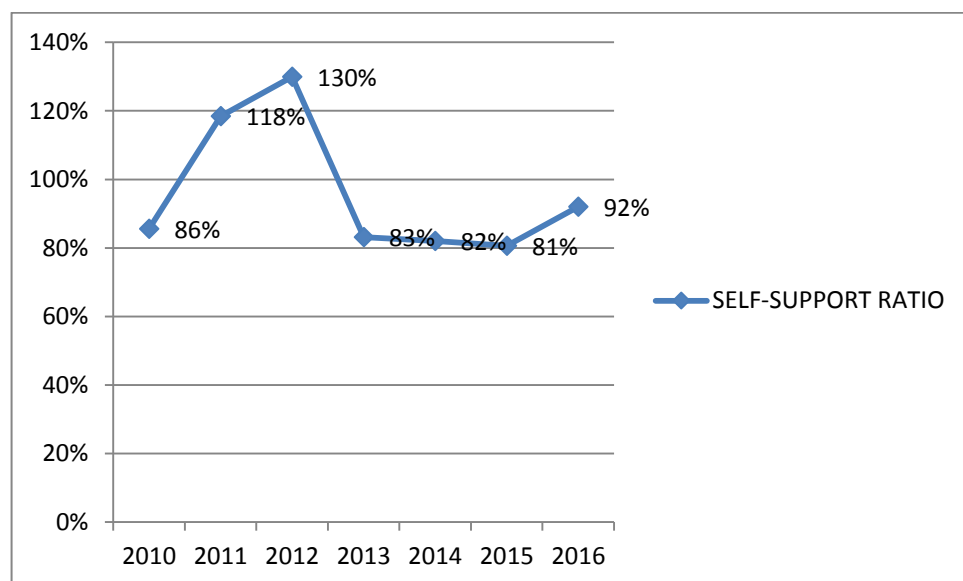


Figure 3. The self-support ratio's evolution

The analysis of the graphic shows that in 2011 and 2012, the organization was self-sufficient. Except for these two years, the ratio was less than 100% for the others, meaning that to handle its charges the organization reduced its cash reserve or it borrowed somewhere. It is only when the incomes are over the charges that the organization can have a surplus to pay off its debts or to invest for the future. When the charges are over the income, it affects its ability to meet in short-term its expenses

and to deal with its obligation. This last situation leads the organization to become insolvent.

The three ratios simultaneously indicate that in 2012 where the working capital and the self-support are over 100% (115% and 230% respectively), the liquidity ratio dropped down from 84% in 2011 to 52% in 2012. Three scenarios can explain this situation: (1) may be other current assets than cash increased, (2) may be the school fees were not collected from students or (3) the organization invests in other assets (fixed assets) without taking into consideration what can happen in the future. A simple look on the table above shows that the peak of recovery of school fees during the period of study is at that year (2012). That means that school fees were not an issue. Rather scenarios 1 and 3 can more explain this issue. The research unveiled that it was during this year that the organization invested in the wall with the amount of fifteen million of FCA (about \$30,000), borrowed from the “Collège Adventiste de Yaoundé.”

The Recovery of the School Fees

The school fees recovery calculates the school fees income (recovered) over the school fees budgeted. Figure1 shows that the organization was not able to collect the school fees budgeted. What can be the source of this situation? Is there a fund leakage somewhere? Did parents not honor their obligations?

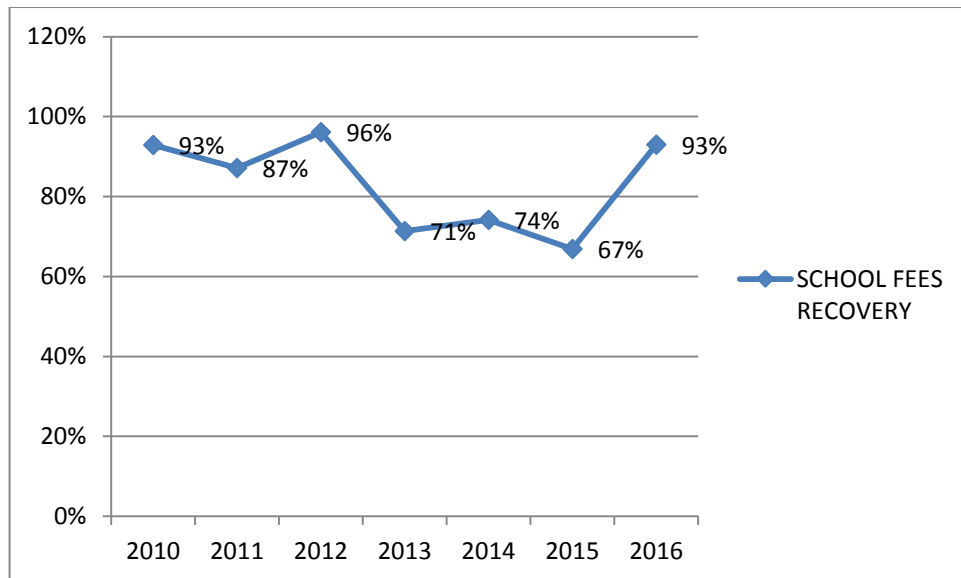


Figure 4. The evolution of the school fees recovery

During the interview with the treasurer of the school, he said that the school fees budgeted are not even based on the total of the number of the students in the beginning of the year. A margin of 40 to 60 students is not taken in account during the budgeting process. Despite of this margin of security, the school fees are not totally recovered at the end of the year.

The Number of Students

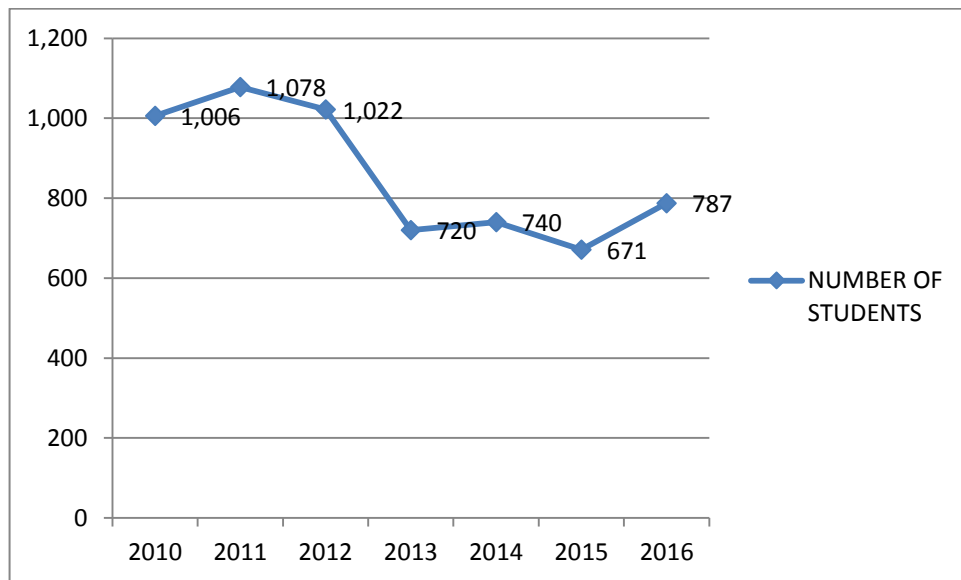


Figure 5. The trend regarding the number of students

The graphic above shows that the peak in term of number of students was in 2011 with 1,078 students. In 2013, the number of students started to go below of 1,000. It was respectively 720 students for 2013, 740 students for 2014, 671 students for 2015 and 787 students for 2016. This situation is one of the key elements which justified the dire financial situation of the organization. When the key element is affected, it is all the system which suffers. While the number of students dropped down during this period, the operating charges remained the same because it is not the number of classrooms which reduced but the number of the students per classroom.

The Perceived Reasons of the Current Financial Condition from the Perspective of the Stakeholders

This section analyses the information gained during the focus group discussion. The issues raised were the reasons or causes of the current dire financial condition of the Collège Adventiste de Maroua and the groups involved were the

teachers, the staff support employees, the administration, the parents of the students, the ExCom and the students of the school.

The Perceived Reasons from the Perspective of the Teachers

After the interview with the teachers, many reasons were given to explain why the uncomfortable financial situation in the “Collège Adventiste de Maroua.”

- The number of the students. “According to the teachers, the number of the student is the important key in the financial condition of the ‘collège’.” In the school year 2014/2015, the school knew its lower level of the number of the student (671). This situation affects very negatively the financial condition of the school.
- The insolvency of the students. “Many students do not pay entirely their school fees.” It affects the budget of the organization.
- Lack of income diversification. According to the teachers, “apart the school fees the organization does not have another source of income.” The budget of the organization confirms this issue. More than 90% of the budget is from the school fees.
- Weak ratio of success in the official national exam. “This situation does not encourage parents to register their kids to the school.”
- The registration process in the “college.” According to the teachers, “the enrolment process of the students is not credible, serious and lucid. When students are enrolled without any test to judge their adequate academic level, it affects negatively the academic results of the school.”

According to this point of view of the teachers, it appears that the organization enrolls any kind of student just to balance its budget without reference to their

academic qualification and its quality. This situation is affecting its image and parents do not bring their children because of the performance of the school.

- “Comparing to other private school in the city and even in the region, the school fees are low.” This affects negatively the financial situation of the school.
- Lack of publicity (radio, television, tracts...)
- Lack of library. “The presence of the library in the school can help not only the students to perform their academic level but it will encourage parents to enrol massively their kids to the school. In addition, the library can be an additional income resource for the school when other students of the town will come to subscribe” said the teachers.

The Perceived Reasons from the Perspective of Staff Support Employees

- “The lack of recovery of school fees at the rate of 100%.”
- “The lack of the support from the founder about sponsoring that the school gave to the Adventist students. The founder does not give support for the payment of the personnel.” According to the staff support employees, as the school is giving a scholarship of 10 % of the school fees to the Adventist students, the founder has to support the organization. In fact, the employees do not understand how the organization functions; originally, there is no contract that stipulates the founder will pay the personnel of the school.
- The mismanagement from the former administration. According the staff employees, “the mismanagement of the farmer administration lead the school to the very critical financial situation.”

- “The harassment and/or the pressure on the parents by certain workers in order to collect the school fees for their individual use even though this practice is illegal.
- The pressure from the creditors to collect their money. “Most of the time, this pressure is high in the beginning of the academic year when they collect some money” they said.
- “The creditors remember to the school their debts while the recovery is not even made.”
- “Intervention of the administrators or some workers in favor of some parents to ask to postpone the delay of school fees payment. Mostly, this school fees remain not recovered until the end of the school year.”
It is the duty of the financial department to deduct these school fees from the salary of the backer.
- “Lack of control by the founder administrators and by the education director in the conference level.”
- “Insufficiency of the number of the students.”
- Lack of primary school for the church. “The presence of a primary school can provide good quality students to the organization to improve its performance in official national examinations.”
- “Lack of infrastructure.”

The Perceived Reasons from the Perspective of the Administration

The administration classified the causes or the reasons in two categories: the internal and the external reasons.

The internal causes. They are as follows:

- “Low ratio of the school fees recovery. As main reasons, there are the poverty of the parents, the loss of students during the academic year, the indifference of parents regarding the education of their kids, illiteracy for certain parents.”
- “Lack of permanent and skilled teachers.” For the administration, this lack impacts negatively the results of the students and the performance of the organization.
- “Rate of success in the official national examination is not satisfactory.”
- “Insufficiency of infrastructures (laboratory, library, administrative block, classrooms).”
- “Absence of a real self-support of the organization.”
- “Lack of the personal development.” This situation can be explained by the financial distress that the organization has.

The external causes. According to the administration, there are some causes which are not depended on the organization. These causes are:

- “Plurality of the secondary and high schools.”
- “Lack of the partnership with the possible external donors.”
- “The school is abandoned by the founder which is the conference.”
- “Lack of the sensitization by the founder.”

The Perceived Reasons from the Perspective of the Parents

Two Adventist Churches were taken in the city and we meet the parents of the students during the Sabbath evening. Here are their perceptions.

- “The irregularity of certain parents in the payment of the school fees of their kids.”
- “The administration fired the students who have not paid their school fees during the sequential examination period.”
- Economic conditions of the parents. “Many parents are not in good financial situation; this situation make that they are not able to pay the school fees of their kids. Some parents think that the school fee is high and there is a need of decreasing it.”
- The lack of willingness of certain parents to pay the school fees is one of the major problems evoked by the parents. “Some parents are not willing to pay entirely the school fees of the kids” they said during the interview. Some investigations show that often there are some students who perceive school fees from their parents and not entirely pay it to the organization.
- “The method or the way the school enrolls the students.” All kind of students are enrolled to just balance the budget, while the reputation of the school is in danger.
- “The low score in the national examination” that can be explained by the quality of the students enrolled.
- Lack of Adventist primary school. “To have a quality student coming from primary school to the “college,” there is a need of an Adventist primary school in Maroua. The Adventist parents said if there is an Adventist primary school, they will send all their kids there.”
- “The incomprehension between parents and the treasurer of the school.”
- “The insufficiency of the students.”
- “The lack of collaboration among the workers.”

- “The exclusion of the students is one of the reasons.”
- “The insufficiency of parents’ meeting.”
- “The spiritual condition of the workers.”
- “The mismanagement of resources.”
- “The wickedness and contempt of some workers against the parents.” This issue was addressed by one of the four interview group of the church in Maroua. Is it a single case or the situation is a regular issue in the “college?” There is a need of a deep investigation to confirm or to invalidate this declaration.

The Perceived Reasons from the Perspective of the Excom

It is during the Excom meeting that the researcher had the opportunity to meet them. The atmosphere was convivial and they were happy to accept to be among of those who participate to the research study. For the Excom, many factors can explain the critical financial condition of the CAMRA. To be more exhaustive, their president invites the researcher to subscribe to their whatsapp group and address the issue, so he can learn more about the topic.

Some major reasons were:

- “The school fees recovery.”
- “Some Adventists parents think that the school belongs to the church and should, therefore, be free. Therefore, they don’t want to pay the fees. They are very threatening when the school administration takes an action to expel their kids.”
- “The Adventists parents are the first to sabotage the reputation of the school when the other parents appreciate the organization.”

- “The flexibility of the administration in the issue of school fees recovery.”
According this category of shareholders, the administration is too flexible in the matter of school fees recovery.
- “The school fees outflow during the process of the collection. Some teachers illegally take the school fees for their personal use and these fees remain uncovered during the academic year.” These teachers put the money in their own pockets. It is when the institution discovers it that the teacher has to pay from his salary. When it is the ExCom who evoked this statement, it means that they experimented it and it seems that this situation remains unchanged because it was evoked by the current students.
- “Some materials like badges are produced and sold by the students while this one can add something to financial resources of the organization.”
This situation is a “manque à gagner” for the organization. In fact, even if the costs of production are incurred by the students, there is a surplus that the organization can earn through the production and sale of these materials. Any organization or person does not have the right to sell any materials of the organization, unless there is a prior agreement.
- ExCom are asking themselves “if the current teachers have the same fervor and professional conscience like theirs who left the school for another job.” In fact, they appreciate the way those teachers who left the organization were committed. Unfortunately, they left the organization and the ExCom are sure that the current teachers of the organization have the same commitment like them.

- “Lack of the financial contribution for the development of the school from the workers.”
- “The low rate of success in the official national examinations. This situation does not contribute to the evolution of the school. It is the high rate of success in the national examination that makes the marketing of the organization.”
- “The way that students and teachers are enrolled can explain the low rate of success. It is when the students did not get registration somewhere that they come to the CAMRA to be enrolled. Once they are redressed, the parents take them to another school. This kind of action can be explained by the way the teachers are hired. The school hired the teachers based on the relationship and the religiosity even if the candidate does not the adequate qualification.”
- “The lack of library and adequate didactic materials.”
- From the perspectives of the ExCom “the school fees are very low.”
However, if the organization increases it, who will pay since the parents are not willing to pay? The organization has to analyse the market before taking any action concerning the school fees.
- “The lack of commitment and conscience among the students for their future. Many students are ready to go back home even the morning and they leave the school while they have to be in the classroom.” This situation impacts the result of the organization in the national examinations and the image of the school is not well seen. This affects the financial situation of the school as those parents who are serious are not willing to send their children to a school whose students do not perform well.

The Reasons or the Causes as Perceived by the Students

During the interview, we take four levels as our sample: the 3^e (form 4), the 2nde (form 5), the 1^{ère} (lower sixth) and the Terminales (upper sixth in the French system). Findings varied from another level to other. In the following lines, the summary of the students' point of view is.

- "The lack of external financing."
- Insolvency of some students. According some students, "this insolvency could be caused by the refusal of some parents to take their responsibilities. This situation remains unchanged until the school year end and it is a loss for the organization. It is also stated that some Adventists parents think that the "collège" is their school and they do not pay the school fees."
- "Lack of subsidies from the government and from the Adventists elders."
- "Lack of subsidies from the conference."
- "The uniforms of the students are sold in the market and not by the school."
- "Lack of maintenances and protection of the school." In this stage, we think they wanted to evocate the maintenances of the materials and buildings.
- "Lack of investment that can give a surplus to the organization." The administration does have the audacity of investing the money. The lack of projects maintains the school at the same level
- "Insufficiency of the classrooms."
- "Lack of the visitation of the government authorities to the school."
- "Lack of a bloc for the administration and teachers."

- “Insufficiency of desks for the students to have a sit.”
- “Lack of the library.”
- “Lack of school dispensary.”
- “The institution does not have any vehicle and even the principal does not have its personal vehicle.”
- “Insufficiency of the financial resources.”
- The presence of the corruption in the school. “The corruption exists in many levels of transaction: during the payment of school fees when some workers take money from the students without giving it to the cashier of the organization. Some workers after perceiving the cash from the students or from the parents established a falsified cash receipt to give back to the parents in order to testify that the school fees are registered by the administration. Some teachers miss their class hours without teaching but they are paid by the organization.” This last situation impacts the quality of the education that the students receive.
- The quality of classrooms. The first difficulty that the students mentioned is that “the classrooms do not have electricity.” The observation that the researcher made during his investigation is that only five classrooms over fifteen are electrified. The second difficulty is “the lack of ceiling and ceiling light.” From the month of March until the month of June, the climate is very hot and the lack of the ceiling and ceiling light places the students at the uncomfortable condition of studies. The third difficulty is “the lack of comfortable desks at the classrooms.” The fourth difficulty is “the lack of organization in the school canteen; there is regularly the lack of foods to buy.” Some students suggest that “the school build an

appropriate local where the sellers can stay to sell their foods” and they can even pay some location to the school.

- “The waste of the money in the materials those are not durable.” It is considered as “a mismanagement of the financial resources.”
- “The lack of scientific laboratory.” While one of the government school has it in the city, the CAMRA which is a private institution does not have. The school is under development.
- Lack of the academic control. This situation can be caused by “the insufficiency of the qualified teachers who can teach courses by transmitting effectively the knowledge. During the class examination process, some students have already exams copy before to be administered. It means that some teachers or some staff workers helped these students to have access to exams before other. The school does not have adequate control over the students that it has.”
- The number of the students. “The school does not have enough students to make a good financial income.”
- “Lack of collaboration among the workers and the administrators.”
- “The poverty of some parents. There are many levels of the poverty.” Some parents are financially poor while in some other cases, it is a situation psychological poverty.
- The discrimination in the school fees. The non-Adventists students think that “when the Adventist students have a reduction of 10% or the scholarship of 10%, it is discrimination.” While Adventist parents think it is their school and even when they give them 10% of reduction, some are

not ready to pay the school fees of their kids, the non-Adventists consider it as discrimination.

The Solutions as Proposed by the Stakeholder to Change the Current Condition

The solutions as proposed by the teachers. To handle the issues perceived by the teachers, they proposed outline of many actions to be taken. All these solutions are in the control of the organization.

The solutions can be classified in term of short, medium and long-term run.

As short run solutions, there are:

- “Improve the success rate by selecting during the hiring process the qualified teachers.”
- “Train the teachers who are not trained in the Public Government Teachers Training School.” As the government has a training school of teachers in Maroua, it is an opportunity to size by the “collège” to improve the professional skills of its teachers and to improve its performance in the national examinations.
- Multiply the publicity of the school in order to attract students. According the teachers, “the school must multiply the publicity by using tracts, television and radio.”
- “Sensitize the parents before the beginning of the school year on the importance of paying the school fees of their kids.” “When the school fees of their kids are paid very soon, the students did not have a psychological pressure about the school fees,” because they know that they are right with the administration on the financial matter.

- “Create other sources of income apart the school fees.” The institution can practice agriculture, breeding and the partnership with donors.
- “Increase the school fees.”
- “Put in place a documentation center or a library.”
- “Review the way the students are enrolled in order to have quality students to have a good score in the national examination.”
- “Create an Adventist primary school that can provide to the “collège” the good students. The parents, since the base can clearly appreciate the values of the Adventist education and can send their kids in the “college.”

The solution that can be classified both in short and long-term is the building of the new infrastructure. “The organization has to add some classrooms, administrative block, and teachers’ staff-room.”

The solutions as proposed by the staff support employees. Some of the solutions proposed by this category of employees are in the control of the organization and most are beyond its control.

Other workers also gave a list of solutions to address the financial situation of the organization.

As internal solutions,

- “All cash payments should be done at the cashier’s office where cash receipt will be issued or parents can pay directly into the bank account of the institution.”
- “The sensitization of the parents through media and prospectus.”
- “The school has to build new classrooms to face the over-staff issue.”

Beyond the control of the organization,

- “Pastors and founder must be involved in the recovery of the school fees by sensitizing church members on this issue. When the parents who are church members make a commitment to pay the school fees of their kids and they do not respect it, it becomes a matter of irresponsibility.”
- “The local conference, which is the founder of the institution, should give subsidies to the institution like what the government is doing.”
- “The local conference should absorb the debts that the institution has contracted in order to give an opportunity to the institution to grow financially.”
- “Local churches or conference has to take charge of the various needy students who cannot pay their school fees and are in the “collège” as students. The scholarship of 10% of the school fees that are given to the Adventist students has to be paid by the conference or by the local churches or conference and churches have to support the employees’ salaries.” Is it realizable, this kind of solution?
- “The local conference should ensure its responsibility by its oversight controls over the finances and enrollments.”
- “The creation of the primary school.”

The solutions as proposed by the administration. Apart the promotion of the external partnership as suggested by the administration, all other solutions proposed are in the control of the organization. According the administration, “through the partnership, donors can sustain the school in some project that the organization can present. Donors can sustain by building and equipping a library with

books.” Must of the solutions which can be classified at the same time in term of short, medium and long-term are:

- “Sensitization of the educative community.” By definition, the educative community includes the students, the parents, the workers and the administration, the churches and mosques, the local government and other possible partners. They have to be sensitized on the importance of the education and their importance as contributor to the training of the future leaders.
- “Increasing of the number of teachers by hiring the new employees.”
- “Training of the teachers in the Government Teacher Training School”
- “The building of the administrative building, scientific laboratory, the library and some classrooms.”
- The empowerment of the school. “The organization has to put in place a system that can enhance its autonomy in all senses.”

The solutions as proposed by the parents. The list of solutions is a summary of many groups of the interview. Almost these solutions are internal to the organization and the actions to take can be done in short run.

- “The administration of the school has to distinguish among the parents who are regular or irregular in term of paying school fees in order to not dismiss their kids of the regular parents if once they are not right with the organization.”
- Having a dialogue between the parents and the administration. “Instead of firing the students during the sequential examination, the administration can dialogue with parents to find a solution to the payment of the school fees issue” said the parents. The dialogue can be

organized through the parents' meeting and this meeting has to be taken regularly.

- "Parents should establish a plan of payment for the school fees of their kids they should respect it strictly."
- "Organizing prayers and fasting for the financial condition of the organization." The program can affect positively the spiritual conditions of the workers and the educative community.
- The respect to the parents. "The administration and the workers have to respect the parents of their students and vice-versa. The workers have to humble themselves when they are with the parents of their students."
- "The Sensitizing of the parents to respect their commitment concerning the school fees."
- Decreasing of the school fees. Some parents suggest to "the organization to decrease the school fees."
- "Having a good management of the resources of the 'collège'."
- "The reorganization of the structure of the organization."
- "Creating an Adventist primary school." This last solution is the only that is not depended on the organization abilities. It depends on the conference and it can create in medium and long term.

The solutions as proposed by the students. Some solutions are controllable by the CAMRA while others are beyond its control.

As the internal solutions, students suggest the following answers:

- The actions to take in short term
- "The school should have all kind of didactic materials for its functioning."

- Make the classrooms comfortable to the users: teachers and students.
“The organization has to put the ceilings and ceiling lights in the classrooms. The desks and other things have to be changed” they said.
- “The school environment must be clean and attractive.”
- Diminishing or reduction of the school fees. Some students think that “the school fees are high for their parents and the institution has to reduce it.”
- The increasing of the school fees. While some students think the school fees are high for their parents, others think that “the school fees are very low and the institution can increase it.”
- The effective payment of the school fees by all students. “The school should make that every student has to finish his school fees at the time so it can permit to the organization to plan its financial resources. It can permit to the institution to invest where it can gain a surplus”.
- The collaboration among the administration and the workers. “There is need of atmosphere of confidence among the workers” observed some students.
- “Find out a way to develop the institution.” The strategic and financial plan can address this issue.
- “The school has to enroll students by entrance examination so that many other students can come and postulate to be student at “college.” This kind of program can increase the number of the students enrolled in the institution”. It can also permit the enrollment of the best students.

- Avoid corruption. “The personnel who collected the school fees have to be punished by the organization.”
- “The Adventist parents should understand they have to sustain their school instead of killing it by not paying the school fees.” Even the organization grants to the Adventist Students 10% of the school fees as scholarship, the main part of the non-collected school fees is from the Adventist Parents. Somewhere, this issue is beyond the control of the organization. However, the CAMRA’s administration can solve this problem by sensitizing the Adventist Parents in the church meeting.
- “Install a wireless internet connection at the informatics laboratory of the school.”
- “Hiring of skilled and qualified teachers so that they will attract other students to be enrolled in the institution; the number of students will increase and it can give much money to the organization.”
- “Avoid giving gifts that can lead the “collège” in the financial distress.”
- “Buying good quality teaching and learning materials in the classrooms so the organization shall not regularly waste money to just change what could not be to change.”
- “Reduce the number of the staff employees.” It will depend on the administration ability to address the problem; the CAMRA can occupy them if it is the matter of lack of occupation, it can convert these workers as teachers by training them. But if it is the matter of competencies another solution can be seen.
- “Having a list of projects to be realized for the potential donors.”

- The administration can sell the school uniforms to the students.
 “Instead that the uniforms are sold in the market, the school can gain a financial surplus by selling its uniforms to the students.” In fact, in the country, even the other institutions are selling the uniform clandestinely, it is prohibited to sell uniform in school. However, the CAMRA can sign contract with a shopkeeper and then share the surplus.
- “Reinforce the security at the entrance of the school. The discipline has to be also reinforced.”
 - The short, medium and long-term solution.

Some solutions can be classified at the same time as short, medium and long term.

- “The development of the teachers’ skill by training.” By the seminars the organization can train in short run its teachers. This solution can be envisaged for both medium and by training the teachers in the government teachers’ training school in the city.
- “The building of new infrastructures: library, administrative and personnel block, the scientific laboratory, the new classrooms.” Some students suggest “the building the new classrooms in the floor. There is need of creation of the school dispensary. The students and neighbors to the school can be treated when they are sick and it can make an additional income for the organization. Another challenge of the organization is to have an adequate sport area and toilets.”

- “Ameliorate the living condition of the teachers by increasing their salaries.” The school can give some benefits, but to really increase the salaries, it is when the financial condition will be ameliorated.

The following solutions suggested by the students can be classified as the external solutions:

- “The government control in the school.” The students suggested the control of the government in the school in order to limit the potential deviation of the institution.
- “The government has to give a good financial support to the organization.”
- “The conference which is the founder has to give to the institution subsidies.”
- “Control regularly the finances of the organization.” This can be done by the General Conference Auditing Service and by the founder.
- “Create boarding facilities” – This is to increase enrollment and to attract students from the surrounding villages to be enrolled to be educated in the “college.”

The Financial Strategy to Put in Place in the “Collège Adventiste de Maroua”

Many challenges and problems were found from the data gathered. The issue faced at the end is to determine the kind of strategies that ought to be employed to address the situation and what kind of financial plan to set up for a sound financial sustainability.

The financial and strategic plan. During the interview process, it was uncovered that the organization does not have a formal strategic plan. According

Thompson & al (2016), “luck and circumstance can explain why some companies are blessed with initial, short-lived success. But only a well-crafted, well-executed, constantly evolving strategy can explain why an elite set of companies somehow manages to rise to the top and stay there, year after year, pleasing their customers, shareholders, and other stakeholders alike in the process” (p.3). The actual virtual beginning of success of the Collège Adventiste de Maroua (CAMRA) in terms of number of students is not a guaranty since there is no strategic and financial plan which will lead its action. The first action to be taken by the organization is to set up a well-crafted strategic plan of the organization. What are the vision, the mission and core values of the organization? What are the financial and strategic objectives of the institution? What set of actions to put in place to achieve the objectives stated? In other words, how to increase the financial surplus of the organization? How to increase the number of students in the school? It is about *how*. The next step is to put in action what have been set. Each department has to act interdependently for each other. There is need to take action according to the high, medium and low priorities.

The financial plan. As part of the contribution of the research to the situation of the organization, the following financial plan is proposed.

- The review of the strategic plan

The organization does not have a strategic plan. Based on the finding of this study, it has the largest expenditures to buy or the build (classrooms, library, equipment like computers and books and more). It has also a challenge of hiring and training the workers.

- Financial projections

As the projections of income in the most likely scenario, based on the implementation of the most of the solutions as proposed by the stakeholders, the

following financial projections can be set. For the next five years, the organization can increase by 15% a year of its current revenue. The strategy is to increase the number of students by 15% per year. The implementation of this strategy will imply many actions to take: the densification of marketing, the amelioration of the score in the national examination, the hiring and the training of the workers, the huge capital investment for the classrooms and facilities, etc. Assuming that there is a percentage of 20% of the students who will add every year in the market, the number of new teachers to hire for the next five years is 12 for the permanent workers and 45 for both contractual and stand-in workers, the number of training will be increased by 15% a year and there is an investment of \$168 000 for the next five year in the classrooms and facilities, the organization's income statement will present a cumulative positive result of \$164 412. Its internal cash flows will be increased by eight to ten million of CFA (\$16,000 to \$20,000) a year for the next five years to finance new capital investments. The following tables present the figures for the next five years. All the amounts are in US\$, the school fees for all cases are \$118 for the first cycle and \$148 for the second cycle.

- The mostly likely case of the financial projection of the organization.

Table 7. The projections of the number of students from 2019 to 2018 for the mostly likely case

School years	2016/ 2017	2017/2 018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023
Number of students 1st cycle	4,459	5,550	633	727	836	962	1,106
Number of students 1st cycle	3,328	4,400	460	529	608	700	805
Total	7,787	9,950	1,093	1,256	1,445	1,662	1,911

Table 8. The projected income statement from 2019 to 2023 for the mostly likely case

Income	Bal. 2016/17	Bal. 2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
School fees	103,134	133,604	142,715	164,122	188,741	217,052	249,609
Other products	4,179	1,664	2,330	3,261	4,566	6,392	8,949
Subsidies from government	2,191	4,142	2,191	2,191	2,191	2,191	2,191
Donations from partners	3,542	4,275	4,916	5,654	6,502	7,477	8,599
Total of income	113,045	143,685	152,152	175,228	201,999	233,112	269 348
Expenses							
Salaries and allowances	72,554	86,219	92,098	105,913	121,800	140,070	161,080
Administ. & general fees	34,939	38,327	41,716	45,104	48,493	51,882	55,270
Total of expenses	107 ,92	124,546	133,814	151,017	170,293	191,951	216,350
Surplus (losses)	2,011	19,139	18,338	24,211	31,706	41,160	52,998

The following Table gives an idea about the increase or the decrease of each element of the income statement

Table 9. The increase (decrease) of elements of the income statement for mostly likely case

Income/year	Balance 2017/2018	2018/ 19	2019/2 020	2020/2 021	2021/2 022	2022/2 023
School fees	30%	7%	15%	15%	15%	15%
Other products	-60%	40%	40%	40%	40%	40%
Subsidies from government	89%	-47%	0%	0%	0%	0%
Donations from partners	21%	15%	15%	15%	15%	15%
Total of income	27%	6%	15%	15%	15%	16%
Expenses						
Salaries and allowances	19%	7%	15%	15%	15%	15%
Administ. & general fees	10%	9%	8%	8%	7%	7%
Total of expenses	16%	7%	13%	13%	13%	13%
Surplus (losses)	852%	-4%	32%	31%	30%	29%

While the total income of the organization will increase by 15% a year, the total expense will increase by 13% and the total surplus will fairly increase by 30% a year. This performance will give to the organization the capacity of financing its needs in term of capital expenditures mostly by its internal funds. The following table summarizes its financing needs for the next five years.

Table 10. The projected capital investment and financing needs for the mostly likely case

SCHOOL YEAR/ ELEMENTS	Balanc 2016/ 17	Balanc 2017/ 18	2018 /19	2019/ 2020	2020/ 2021	2021/ 22	2022 / 23	TOTAL
Surplus (losses)	2,011	19,139	8,338	4,211	1,706	1,160	2,998	168,412
Payment of notes and loans		13,000	5,000	000	2,000	2,000	2,000	49,000
Capital investment			6,000	6,000	4,000	6,000	2,000	168,000
Balance after capital investment	2,011	6,139	-2,662	9 789	4 294	6,840	8,998	-48,588
Notes & loans needed	0	0	2,662	19789	14294	6,840		57,585
Balance of notes & loans		29,000	26,662	38452	0746	5,585	3,585	

Table 11. The projected increase (decrease) of the elements of financial plan in the pessimistic scenario

Income/year	Balance 2017/18	2018/19	2019/202 0	2020/202 1	2021/202 2	2022/202 3
School fees	30%	7%	15%	15%	15%	15%
Other products	-60%	40%	40%	40%	40%	40%
Subsidies from government	89%	-47%	0%	0%	0%	0%
Donations from partners	21%	15%	15%	15%	15%	15%
Total of income	27%	6%	15%	15%	15%	16%
Expenses						
Salaries and allowances	19%	7%	15%	15%	15%	15%
Administ.&general fees	10%	9%	8%	8%	7%	7%
Total of expenses	16%	7%	13%	13%	13%	13%
Surplus (losses)	852%	-4%	32%	31%	30%	29%
Payment of notes and loans		-62%	60%	50%	0%	0%
Capital investment			150%	0%	0%	-20%
Balance		-143%	793%	-15%	-47%	-183%
Notes and loan			793%	-15%	-47%	-100%
Bal. Notes & loan		-8%	59%	20%	-2%	-24%

For the total capital expenditures of \$168 000, 66% of the expenses will be financed by the internal funds and 34% by the external funds. The external funds will be supported by the financial partners as the banks and the “investment funds,” a church welfare fund in the union level.

Financial plan: the pessimistic case. Assuming that there is a percentage of 20% of the students who will add every year in the market, the number of new teachers to hire for the next five years is 4 for the permanent workers and 15 for both contractual and stand-in workers, the number of training will be increased by 5% a year and there is an investment of \$78 000 for the next five years in the classrooms and facilities, the

organization's income statement will present a cumulative positive result of \$63 520, the following tables give an idea of its projected performance.

Table 12. The projections of the number of the students in the pessimistic case

Number of students	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of students 1 st cycle	459	550	578	606	637	669	702
Number of students 2 nd cycle	328	400	420	441	463	486	511
Total	787	950	998	1 047	1 100	1 155	1 212

For the year 2022/2023, the projected number of students is 1212 in the pessimistic scenario.

Table 13. The projected income statement for the next five years in the pessimistic case

School year	Balance 2016/17	Balance 2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Income							
School fees	103 134	133 604	130 305	136 820	143 661	150 844	158 387
Other products	4 179	1 664	1 997	2 396	2 875	3 450	4 141
Subsidies from government	2 191	4 142	2 191	2 191	2 191	2 191	2 191
Donations from partners	3 542	4 275	4 489	4 713	4 949	5 196	5 456
Total of income	113 045	143 685	138 981	146 120	153 676	161 682	170 174
Expenses							
Salaries and allowances	72 554	86 219	84 090	88 294	92 709	97 344	102 212
Administ.&general fees	34 939	38 327	41 716	45 104	48 493	51 882	55 270
Total of expenses	107 492	124 546	125 805	133 399	141 202	149 226	157 482
Surplus (losses)	2 011	19 139	13 176	12 722	12 474	12 456	12 692

Table 14. The capital investment and financing needs in the pessimistic case

	Bal. 2016/ 17	Bal. 2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22	2022/ 23	Total
Income								
Surplus (losses)	2011	19139	13176	12722	12474	12456	12692	84670
Payment of notes and loans		13000	5000	8000	12000	12000	12692	62692
Capital invest.	0	0	16000	16000	14000	32000	0	78000
Balance after capital invest	2011	6139	-7824	-11278	-13526	-31544	0	-56022
Notes and loans needed	0	0	7824	11278	13526	31544	0	64172
Balance of notes and loan		29000	31824	35103	36628	56172	43480	

Table 15. The projected increase (decrease) of the elements of financial plan in the pessimistic scenario

Income/year	Balance 2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023
School fees	30%	-2%	5%	5%	5%	5%
Other products	-60%	20%	20%	20%	20%	20%
Subsidies from government	89%	-47%	0%	0%	0%	0%
Donations from partners	21%	5%	5%	5%	5%	5%
Total of income	27%	-3%	5%	5%	5%	5%
Expenses						
Salaries and allowances	19%	-2%	5%	5%	5%	5%
Administ. & general fees	10%	9%	8%	8%	7%	7%
Total of expenses	16%	1%	6%	6%	6%	6%
Surplus (losses)	852%	-31%	-3%	-2%	0%	2%
Payment of notes and loans		-62%	60%	50%	0%	6%
Capital investment			0%	-13%	129%	-100%
Balance		-227%	44%	20%	133%	-100%
Notes and loans			44%	20%	133%	-100%
Balance of notes and loans		10%	10%	4%	53%	-23%

As the projections of income, based on the implementation of the most of the solutions as proposed by the stakeholders, the following financial objections can be set. For the next five years, the organization can increase by 5% a year of its current revenue. Similarly, with the mostly likely case, the strategy is to increase the number of students by 5% per year. Added to the densification of marketing, the amelioration of the score in the national examination, the hiring and the training of the workers, the capital expenditures for the five years will cost \$72 000. Classrooms and facilities will be built, etc. For the next five years, the organization income statement will present a cumulative positive result of \$63 520.

The financial plan for the optimistic case. Assuming that there is a percentage of 25% of the students who will add every year in the market, the number of new teachers to hire for the next five years is 18 for the permanent workers and 60 for both contractual and stand-in workers, the number of training will be increased by 20% a year and there is an investment of \$206 000 for the next five years in the classrooms and facilities, the organization's income statement will present a cumulative positive result of \$245 352, the following tables give an idea of its projected performance.

Table 16. The number of students from 2019 to 2023 for the optimistic case.

Number of students	2016/ 2017	2017 / 2018	2018/ 2019	2019/ 2020	2020/ 2021	2021/ 2022	2022/ 2023
Number of students 1st cycle	459	550	660	792	950	1 140	1 369
Number of students 2 nd cycle	328	400	480	576	691	829	995
	787	950	1 140	1 368	1 642	1 970	2 364

Table 17. The projected income statement from 2019 to 2023 for the optimistic case

Income	Balance 2016/17	Balance 2017/18	2018 /2019	2019 /2020	2020/ 2021	2021/ 2022	2022/ 2023
School fees	103 134	133 604	148 920	178 704	214 445	257 334	308 801
Other products	4 179	1 664	2 496	3 744	5 616	8 424	12 636
Government's Subsidies	2 191	4 142	2 191	2 191	2 191	2 191	2 191
Partners' Donations rs	3 542	4 275	6 840	8 208	9 850	11 820	14 183
Total of income	113 045	143 685	160 447	192 847	232 101	279 768	337 811
Expenses							
Salaries and allowances	72 554	86 219	96 102	115 323	138 388	166 065	199 278
Administ.& general fees	34 939	38 327	41 716	45 104	48 493	51 882	55 270
Total of expenses	107 492	124 546	137 818	160 427	186 881	217 947	254 548
Surplus (losses)	2 011	19 139	22 628	32 419	45 221	61 821	83 262

Table 18. The projected capital investment and financing needs in the pessimistic case

Elements	Bal 2016/20 17	Bal 2017/ 2018	2018/ 2019	2019/ 2020	2022/ 2021	2021/ 2022	2022/ 2023	Total
Surplus (losses)	2011	19139	22628	32419	45221	61821	83262	245352
Payment of notes and loans		13000	5000	8000	12000	12000	12000	49000
Capital investment	0	0	16000	32000	46000	64000	48000	206000
Balance after capital invest	2011	6139	1628	-7581	-12779	14179	23262	-9648
Notes and loans needed	0	0		7581	12779	14179		34539
Balance of notes and loan		29000	24000	23581	24360	26539	14539	

Table 19. The projected increase (decrease) of the elements of financial plan in the optimistic scenario

Income/year	Balance 2017/2018	2018 /2019	2019/ 2020	2020/ 2021	2021 /2022	2022/ 2023
School fees	30%	11%	20%	20%	20%	20%
Other products	-60%	50%	50%	50%	50%	50%
Subsidies from government	89%	-47%	0%	0%	0%	0%
Donations from partners	21%	60%	20%	20%	20%	20%
Total of income	27%	12%	20%	20%	21%	21%
Expenses						
Salaries and allowances	19%	11%	20%	20%	20%	20%
Administ.&general fees	10%	9%	8%	8%	7%	7%
Total of expenses	16%	11%	16%	16%	17%	17%
Surplus (losses)	852%	18%	43%	39%	37%	35%
Payment of notes and loans		-62%	60%	50%	0%	0%
Capital investment			100%	44%	39%	-25%
Balance		-73%	-566%	69%	11%	-264%
Notes and loan				69%	11%	-100%
Balance of notes and loan		-17%	-2%	3%	9%	-45%

In the optimistic case, the forecast predicted the increasing of 20% of the number the students per year for the next five years. At the end of the school year 2022/2023, the number of the students will pass from the current 950 students to 2 364 students. The consequence of this strategy is the good amelioration of the financial performance of the school. The income will increase by 20% a year, with the absolute value of \$337 811 at the end of the school year 2022/2023. A surplus of 16% is forecasted for the next five years. For the period of the five years, a huge capital expenditure of \$ 206 000 will be made to face to the increasing of the number of students. This capital investment will comprise the building and equipment of

eighteen (18) classrooms, the building and equipment of a library, an administrative block and scientific laboratories. These expenditures will be financed both by the internal and external funds. The internal fund will represent 83% while the external will be at 17%, respectively with the absolute value of \$71 461 and \$34 539.

The financial plan of the organization helps to forecast the future and to find a way to deal with its challenges. In the three cases, the organization has four kinds of income: the school fees, the other products, the subsidies from the state which remain constant and the donations from partners. Two kinds of expenditures are concerned; the operating expenditures comprising the salaries and school fees and the capital expenditures for building and equipping classrooms, office, library and laboratories.

The diversification of income. It was stated during the interview that the unique source of revenue of the organization is the school fees. Rarely does the institution receive any form of subsidy from the government. What kind of activities the organization can perform based on its mission statement to diversify its income revenue? From the perspectives of some stakeholders, the library, the agriculture and the stock farming can be practiced by the organization. Other stakeholders suggested the sale of the uniforms by the institution. The organization can for example invest in the secured financial markets. It can stock some foodstuffs during the harvest bumper period (October and November) and resell it when the foodstuffs are rare in June, July or August for example. The administration of the organization has to plan and diversify to ensure adequate income.

The leadership, administration and finance. Information gathered for the study showed that there was not a negative perception about the leadership of the organization. However, it could be attributable to ignorance on the part of the various

stakeholders regarding the work and role of the leadership. While some groups of students recommended the need for collaboration among the leaders.

Regarding the financial administration, there is a committee set up to review the financial situation of the Institution. However, although this committee meets regularly, the financial statements, which are needed for it to perform its functions, is rarely ready and available. This renders the committee's work ineffective. The organization should regularly analyze its financial performance and comprehend the challenges that it has in order to handle them.

The management and team management. Team management is the ability of an individual or an organization to administer and coordinate a group of individuals to perform a task. It involves teamwork, communication, objective setting and performance appraisals. It is the capability to identify problems and resolve conflicts within a team. (Retrieved from internet)

During the interview process, it was observed that there were indicators of the presence of team management among the management.

The workers are organized by tasks assigned to them to accomplish. For example, teachers have their team of workers supervised by two "Directeurs des études" who coordinate the pedagogic activities in the school. They supervise the teachers, the academic program that they hold and their progression in the teachings during the school year.

There is also the discipline department headed by two discipline masters and assisted by two other workers. The discipline in the school has to be appreciated. During the discussion, only one group of students among the 25 focus discussion groups recommended that discipline ought to be reinforced in the school, mostly in

the entry gate. There is also a student guide which is supposed to be filled daily by the student and weekly by the parents.

During the interview with the principal, it was established that there has been many meetings aimed at coordinating the various departments:

- The weekly meeting of the administration aimed at evaluating the situation of the departments: the pedagogic, the discipline, the chaplaincy and the registration departments.
- The discipline committee meets regularly every month. The committee evaluates the discipline situation of the school and takes action on some cases of indiscipline if there are.
- The board committee meets once in a year, at the beginning of the academic year. The committee gives the strategic direction to be followed during the year. They also vote the budget of the school.
- The meeting held by the titular of each classroom. This meeting concerns teachers who intervene in the classroom. It is during such meetings that challenges are identified, students' academic performance are shown to parents because of their school result are identified.

The marketing process. According to the most of the stakeholders, the organization has not well-planned marketing strategy. To the administration, the action for marketing is oriented toward the influence center. The administration relies on churches, mosques and students of the primary schools to market the make the promotion of the institution. There is the need to intensify and use modern and the most appropriate marketing avenues such as the media, radio, television, and internet.

There is a need to set up a marketing plan of the organization. This marketing plan will give a clear idea about the environment the organization operates and where to focus their endeavors.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Summary

This chapter presents the summary of the entire study, conclusions and recommendations based on the findings of the study.

The purpose of the study was to identify key elements that could ensure financial sustainability in the “Collège Adventiste de Maroua.” Toward the literature review, five major variables were identified: the financial and strategic plan, the income diversification, the leadership- sound administration and finance, the team work and management, and the marketing process were identified as the major variables applicable to the CAMRA. The research was both qualitative and quantitative. The interview and the focus discussion group were used in order to investigate to respond to the research questions. The analysis of the financial data, the result of the interview and focus discussion group, unearthed key elements for the financial sustainability of the institution.

Conclusion

Concerning the majors finding of the study, the following findings can be listed:

For the first research question, it was clearly stated through the analysis of the financial statements and through the interview that the organization has dire financial constraints. For the years studied, the financial performance ratios are mostly less than

the requested of 100%. The budgeted school fees' incomes are not totally during the period.

The second research question of the study tried to find the perceived reasons of this situation. Many challenges can explain the organization's financial condition. Some major challenges are the insufficiency and lack of the adequate infrastructures, the insufficiency of the students' number and the inability of the organization to fix the adequate school fees and to collect it.

Concerning some solutions to the issues as addressed by the third research question, the stakeholders of the organizations suggested some actions to take to solve the problems. These solutions include some major actions to take like the building of new infrastructures, the amelioration of the quality of service offered by the organization, the seriousness of the administration in the collection of the school fees.

It results that the fourth research question leads the school to have its strategic and financial plan, to diversify the sources of income, maintain a good leadership style and ameliorate the administration of the finance, have a good teamwork management, and have a good marketing plan that takes in consideration a rapid change of the financial condition of the school.

Recommendations

Considering the findings, this study makes the followings recommendations to the organization in order to set up a sound financial sustainability:

- 1- Setting up a strategic plan of the organization. The well-crafted strategic plan of the organization will give a clear direction to follow. Based on the vision, the mission and the core values of the church, specific, measurable, challenging and deadline objectives will be established. Strategies have to be put in place, executed and controlled regularly.

- 2- Setting up a marketing plan of the organization. It will analyze the target market, the competitive situation, the strengths, the weaknesses, the opportunities and the threats to the organization. Financial and marketing objectives will be set and the marketing strategies of the school will be established. The actions to be taken concerning the quality of the service that the organization offers, its price or the school fees, the promotion to be done and the amelioration of the infrastructure will be taken in account.
- 3- Introduction of Entrance Examinations—Students are to be admitted after they have taken an entrance examination to determine their entry level. This will ensure that quality students are admitted and thus ensure that results of national exams would improve significantly.
- 4- Manual for hiring of workers—The seriousness and the objectivity during the hiring process of the teachers, the assessment of the performance, the training and the skill development of the workers. The school should have a guide manual for hiring of its workers. Once the best candidates are retained as teachers of the organization, regularly the school should do the performance appraisal of all of its workers. The profile of the career should exist and when there is need of training, the school has to give an opportunity to its workers to be trained and develop their skill.
- 5- Income Diversification—Related activities can be carried out by the school in order to have other sources of revenue to increase its income. The organization should identify other income generating activities that are congruent with the policies of the owners to ensure that additional funds are brought in to address the financial situation that the institution finds itself.

- 6- A sound administration and finance. The recommendation is that the administration of the school should ensure that financial statements are prepared and presented to guide administration and any other committee entrusted with the financial review of the institution.

Suggestions for Future Research

This study was conducted in the CAMRA campus in order to find out a sound financial plan for the financial sustainability. The same study can be replicated in another campus of the institutions of the conference.

APPENDICES

APPENDIX A
CORRESPONDENCES

AUA

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February 02, 2018
The Principal
Collège Adventiste de Maroua
Enseignement Secondaire Général
B.P. 45 Maroua, Cameroon

Dear Sir or Madam:

RE: Authorization to Conduct a Research Study.

Greetings from Adventist University of Africa (AUA), Kenya! This letter is to introduce Pastor Tchamaya Ndoumié who is a student in the School of Postgraduate Studies, offering Master of Business Administration (Finance option) at AUA. Pastor Tchamaya Ndoumié is currently undertaking a research leading to the production of a research project on the subject “Financial Sustainability: The Case of “Collège Adventiste de Maroua”. As part of the research process, he needs to conduct a survey by seeking interviews with different stakeholders such as Administrators, ExCom Members, Workers, Students and Parents of the school. May I therefore

request your kind assistance in granting Tchamaya authorization to conduct interviews regarding the topic.

Be assured that any information provided will be treated in the strictest confidence and none of the participants/data will be individually identifiable in the resulting study. The study will only report the aggregate results.

Thanking you in advance for your assistance and support in furthering this research endeavor. Should you wish to receive a copy of the final results, we will be happy to provide you with one.

Yours faithfully,

Josephine Ganu, PhD

Director, MBA Program

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APPENDIX B

QUESTION GUIDES FOR THE FOCUS GROUP DISCUSSION

The question guides for the focus group discussion were:

1. According to you, what are the possible reasons for the dire financing condition of the “CAMRA”?
2. What solutions do you suggest to handle this problem?

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Work experience

Treasurer for North Cameroon Conference: 2013-present

District Pastor of Maroua 2, NCC: 2016-present

Ordained Pastor: 2015

District Pastor of Bénoué-Ouest, NCC: 2012

Associate district Pastor, Maroua 2: 2011, 2013-2015

Church auditor of the North Cameroon Conference: 2010-2012.