Dissertation Abstracts

Title: Financial Sustainability Factors Of Higher Education Institutions: A Predictive Model

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A growing number of private and public higher education institutions have faced financial un-sustainability challenges. Consequently, countries such as the United Kingdom and regions such as the European Union have instituted programs to assist higher education institution in making them financially sustainable (Browne et al. 2010), Organization for Economic Co-operation and Development, 2004). Similarly, Adventist higher education institutions have not been exempted from this challenge (Rock, 1991; White, 1897).

This study supports the idea that not for-profit educational institutions should realize that financial sustainability is crucial for today's leaders facing the challenge of meeting today's cost and making concerted efforts to preserve or invest for the future generations. Nevertheless, to achieve financial sustainability, Adventist higher educational institutions need to maintain or increase its operations through internally-generated income or funds which are deemed to be flowing on a regular basis for the sustainability of its operation, without compromising the future of its sustainability.

The proposed model for financial sustainability used 5 independent variables (authentic leadership, organizational culture, public relations, investment and networking) and 1 dependent variable (sustainable growth rate) with institutional characteristic. After statistical work on the data of Adventist higher educational institutions worldwide, 50 institutions from 39 countries with 72 surveys results revealed 19.6% of the variance is explained by public relations, investment portfolio, and authentic leadership.

The study found that public relations alone accounted for highest of 17.4%, with investment portfolio following at 16.3%, and authentic leadership 11.1%, respectively. The new model for

financial sustainability is y = a + bx3+bx5+bx1: sustainable growth rate, y = -3.367 + 0.174 public relations + 0.163 investment portfolio + 0.111 authentic leadership. This study's unique contribution is having explored in the Adventist higher education institutional financial sustainability and has come out with a predictive model.

Further analysis on ANOVA showed that 3 (organizational culture, networking and sustainable growth rate) of the variables indicated a difference in organizational culture, networking and sustainable growth rate, when grouped by continent from which the institution is located. From the above on organizational culture, the institutions in Asia had an organizational culture that is conducive to sustainability more so than other institutions in other continents. On networking, the institutions in Europe had higher networking that is conducive to sustainability more so than other institutions in other continents.

In relation to financial sustainability, the institutions from the USA had better results than institutions in other continents. Finally, when it came to sustainable growth rate, there is a significant difference in terms of continents in which the institution is located in. North America was significantly different from Africa, Asia, Europe and South America. This indicates that institutions in North America were more sustainable than those in the other continents. In relation to financial sustainability, the institutions from the USA had better results than institutions in other continents. This seems to suggest that different institutions as grouped by continents have certain strengths.

By implication, to succeed in financial sustainability, Adventist higher educational institutions need to use the matrices of public relations, investment portfolio, and authentic leadership to pursue financial sustainability. The above will do much better when they, in addition, adopt and work with the organizational culture of the Asians, the networking of the Europeans, and the financial prudence leading to financial sustainability of the North American.