LIQUIDITY MANAGEMENT IN GOVERNMENT COLLEGES: A SURVEY IN
MASHONALAND CENTRAL. (August 2013-July 2014)

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A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF
BACHELOR OF ACCOUNTANCY (HONOURS) DEGREE OF BINDURA
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OCTOBER 2014
Abstract

This research sought to investigate on the strategies to be implemented by government colleges to maintain a healthy liquidity position, being a survey in Mashonaland Central. The main objective was to explore various strategies that can be used to strengthen liquidity position of government colleges. A descriptive survey research was used and data was obtained from twenty four (24) respondents comprising of college principals, accountants, financial administrators and other employees from Chaminuka Training Centre, Ponesai Technical College, Madziva Teachers College and Mount Darwin Vocational Training Centre. Both simple random probability sampling and convenience non-probability sampling techniques were used. Questionnaires were distributed and face to face interviews were conducted. Data collected was analyzed using qualitative data analysis techniques also tables, graphs and pie charts were used to present results collected. It was found that most colleges are aware of the causes of liquidity problems but they do not know how they may effectively solve them and most of the financial decisions made by government colleges are based on past experience of management and the shared industrial norms. It can be concluded that colleges are holding much to the law of more and also they depend much on history. However government colleges are recommended to be innovative and creative, trying something new to distinguish themselves among others and not to hold on to past experience. If institutions try to pursue too many areas of differentiation, they’re likely to invest too broadly and, thus, reduce the return on investment for precious capital. They should also seek for external advice on how best they can manage the available funds, from external financial advisors.