



Towards Sustainable Financial Management  
of Cambodian Universities



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# GOOD PRACTICES

for Financial  
Management  
at Higher  
Education  
Institutions  
in Cambodia

D3.3.1 Report

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# List of Acronyms

UA	University of Alicante
UNIGE	Universita degli Studi di Genova
UHST	University of Heng Samrin Thbongkhmum
NUCK	National University of Cheasim Kamchaymear
SRU	Svay Rieng University
NMU	National Meachey University
NUBB	National University of Battambang
KCIT	Kampong Chheuteal Institute of Technology
KSIT	Kampong Speu Institute of Technology
RUA	Royal University of Agriculture
RUPP	Royal University of Phnom Penh
NUM	National University of Management
NIE	National Institute of Education
MoEYS	Ministry of Education Youth and Sport
HE	Higher Education
HEIs	Higher Education Institutions
SEA	South-East Asia
FM	Fiancial Management

# I. INTRODUCTION

The Erasmus+ Capacity Building in Higher Education project BALANCE – “Towards Sustainable Financial Management of Cambodian Universities” started in January 2019 with the objective to strengthen financial autonomy and accountability of Higher Education Institutions in Cambodia via modernisation of financial management practices and legal framework.

Over the course of 3 years and with the active cooperation between 11 Cambodian public Higher Education Institutions (HEIs), the Ministry of Education Youth and Sport (MoEYS) and 2 EU HEIs, BALANCE compiled good practices & case studies of modernisation initiatives undertaken in EU and Cambodia, contributing to the harmonisation of Financial Management (FM) practices in Cambodian HEIs which will be presented in this document.

The expected result is to increase awareness on Financial Management in Higher Education Institutions and provoke changes through good practices in Cambodian HE system.

# II.

# GOOD PRACTICES



Combining results from previous activities, mainly Report on Cambodian Financial Models (D1.1.1) and Report on EU Financial Model (D1.2.2), Good Practices were identified of modernisation initiatives undertaken in EU and Cambodia. These Good Practices were used lately as examples during WP (Work Package) 2 and WP3 when the partners realised various tasks (2.1 Development of training plan and learning resources, 2.2 Modernisation and Strengthening of Human Capacities, 2.3 Seminars at Institution level, 3.1 Modernisation of IT infrastructures at FM units and 3.2. Developing Financial Management Action Plans for 2020 - 2024) aimed to contribute to the modernisation of their FM units.

The Good Practices presented in this section are organised in 5 categories:

- Systematic Financial Management Leads to Transparency and Productive Outcomes: Case of NUCK.
- Improving Quality of Student Education through Teachers' Professional Development: Cases of KCIT and KSIT.
- Financial Management, incentives and productivity: Cases of NIE, NUM, UHST.
- Financial Management with incentives for improving motivation and working performance: Cases of NMU, NUBB, SRU and RUA.
- Roles, Responsibilities, Delegations, and Decision-Making Structures; Incentive scheme: Case of RUPP.

## II. GOOD PRACTICES

### 2.1 Systematic Financial Management Leads to Transparency and Productive Outcomes

NATIONAL UNIVERSITY OF  
CHEASIM KAMCHAYMEAR



Title of the Good Practice

Systematic Financial Management Leads to  
Transparency and Productive Outcomes:  
Case of NUCK

## BACKGROUND

The National University of Cheasim Kamchaymear (NUCK) changed its name from Maharishi Vedic University (MVU) in 2008. The main campus of NUCK is located in the Kamchaymear District in the Prey Veng province, about 108 km east of Phnom Penh. The university provides education to rural youth that would not otherwise not have access to higher education. The university seeks to train a new generation of leaders, free from the stress and legacies of Cambodia's recent history. The NUCK is a public higher education institution administered by the Ministry of Education of the Royal Government of Cambodia. Currently, the NUCK has 5 faculties, including the Faculty of Management, the Faculty of Arts, the Faculty of Humanities, the Faculty of Foreign Languages, the Faculty of Social Science, the Faculty of Science and Technology, and the Faculty of Agriculture.

Up to this day, the NUCK has about 3,500 graduates, who have obtained employment in public services, private sectors, and national and international organisations. Many of these graduates have continued their studies enrolling in Master's and PhD programmes, some being recipients of overseas post-graduate fellowships. In recent years, approximately 5,500 students have enrolled in undergraduate and graduate programs in the NUCK.

The NUCK has a vision to become a leading university in learning, teaching and research in the eastern region, with quality human resources, knowledge, innovation and opportunities to participate in the community development and build a sustainable society.

Regarding FM, the University has a FM management system. The NUCK has an accounting and finance office and a management structure headed by a chairman with clear responsibilities, as well as a budget plan to meet operation and capital expenditures. Moreover, there is

## II. GOOD PRACTICES

### 2.1 Systematic Financial Management Leads to Transparency and Productive Outcomes

an internal quality assurance and auditing committee that regularly cross-checks all matters related to finances.

From the FM unit, the NUCK is earning a recognised “good practice” related to the FM, which is entitled “***Systematic Financial Management Leads to Transparency and Productive Outcomes***”

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

The following are a series of detailed information regarding the good practices implemented by the NUCK:

- 1. FM system:** The NUCK has a FM systematic operation and clear policy (with a step-by-step guideline). Moreover, we store all the information related to finance matters in a secure server. The FM was financially supported by the BALANCE project.
- 2. Transparency:** From the server and bank statements (quarterly, semesterly, and yearly), all income, expenses and other finance-related matters can be cross-checked and disclosed when needed or audited. This system has led to a transparency procedure in the NUCK. All operations that have been tracked also provide a good indicator to develop financial planning for many years.
- 3. Productivity:** Thanks to the system and equipment provided by the BALANCE project, our FMU team members are able to work more efficiently and productively. The FM system saves time and is systematic, and produces fewer errors. From the lessons learnt from the training provided by the EU partners, our staff can also work better.
- 4. Modernisation:** The NUCK staff and students are trained in using banks. This has upgraded their regulation, according to which only

traditional means of paying were allowed at the school, i.e. from only using cash or petty cash to learning how to use digital banking. All students are required to pay their school fee via a deposit in the bank account.

### EVIDENCE OF SUCCESS (RESULTS ACHIEVED)

- 1. FM system:** We have already installed the server and the FM system at the NUCK, and now it is being used by the FM unit. This is used to pay teaching fees, as well as to comply with the policy (e.g. a lecturer holding PhD degree teaching Master's programs is paid up to \$ 800/3-credit course, while those holding a Master's degree are paid up to \$ 600/3-credit course), and for school fee payments.
- 2. Transparency:** All files related to finance are entirely disclosed for the mid-term and yearly audit. The NUCK financial operation has a small margin of budget estimation for the expenses.
- 3. Productivity:** We are on time for financial reports and operations, which follow the planning. This is because we have a good FM system and a clear policy.
- 4. Modernisation:** The absolute majority of the NUCK staff and students are able to catch up with the industrial era 4.0 by using digital banking.
- 5. Staff managing the FM system:** The head and vice-head of the FM system were well trained by the providing firm (regarding the system operation) to use the FM systems and now they have become experts in using the FM system. To comply with the NUCK's development strategies, the head and vice-head of FM unit provide regular training to financial-related staff, including those from the legalization office of each faculty and institute.

## II. GOOD PRACTICES

### 2.1 Systematic Financial Management Leads to Transparency and Productive Outcomes

**6. Environment and Policies:** The FM system is overseen by the Rector and strictly monitored, cross-checked and internally audited under the Vice Rector in charge of Finance. Under the direct management of the Vice Rector, the head and vice-head of the FM Unit practice the main financial operations. All financial planning is co-planned and co-developed by the management board, the management team (Rector and Vice Rector, directors and deputy directors) and the head and vice-head of the FM unit. Small budgeted operation (< \$ 500US) can be approved by the head of the FM unit; otherwise, it must be seen and approved by the Vice Rector/Rector. All of these operations and guidelines complies with the Sub-decree on the Preparation and Functioning of the NUCK, which was signed by the Prime-Minister.

#### POTENTIAL FOR LEARNING OR TRANSFER

- Potential for learning: source of income (income generation) and FM strategies learned from EU partners.
- Potential for transfer: FM system, policy and modernisation can be transferred to other Cambodian Universities.

#### FURTHER INFORMATION

The NUCK is improving the way it obtains the source of income and how it generates extra income other than through student school fees, by developing a platform of service providers (e.g. agricultural products, IT infrastructure setups, etc.).

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## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

**KAMPONG CHHEUTEAL  
INSTITUTE OF TECHNOLOGY  
(KCIT)**



Title of the Good Practice

**Improving Quality of Students through Teacher Professional Development.**



## BACKGROUND

The Kampong Chheuteal Institute of Technology (KCIT) is a public higher education institution established by Her Royal Highness Princess Maha Chakri Sirindhorn of Thailand, collaborating with the Royal Government of Cambodia, located in the Sambor Village, Sambor Commune, Prasat Sambor District, Kampong Thom Province in the Kingdom of Cambodia, with a total land area of 21 hectares. It was upgraded from its previous designation, Kampong Chheuteal High School, by the Sub-decree No. 46 ANK. BK., dated 7 April 2015.

The KCIT offers vocational, specific technical skills, and professional ethics responding to the public and private labour markets, to participate in building and developing the nation. The Kampong Chheuteal Institute of Technology (KCIT) is a public higher education institution focused on agricultural and industrial technology, which provides degrees of Associate (Animal Science, Plant Science, Electric Energy, Tourism and Hotel Management, ICT, Electronics), Bachelor's (Animal Science, Plant Science, Electric Energy) and Teacher Training certificates (Electronics and ICT, Animal Husbandry and Agriculture, Electricity and Basic Technical Workshop).

The KCIT set up its own strategic plan, which is a roadmap to strive and reach a vision – to be a provincial-leading technology institute, cultivating high competence and professional citizens for national development and to succeed in a mission: providing training in dual senior high-school programs, undergraduate programs, as well as life skills and technical teacher programs in industrial and agricultural majors; offering in-service training for enhancing the teaching competence regarding life skills and technical teaching; researching and creating new appropriate technology and innovation for industry and agriculture; providing TVET services to the community, and preserving the local wisdom, culture and environment through the use of technology.

## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

Currently, there are 128 members of staff serving as administrators, office staff and teaching staff, and there are 178 full scholarship students enrolled in the majors of Plant Science, Animal Science, Electronics, Electric Energy, Tourism and Hotel Management, Basic Training Workshop, Animal Husbandry and Agriculture. Moreover, 1,049 students are enrolled in this institution at high-school level.

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

Following the experiences acquired in the participating seminar, and a BALANCE study visit and meeting throughout this project period, the Financial Office of KCIT has effectively played its role in managing the Institute's budget to allocate and support the teaching and learning processes of each Faculty so as to give rise to qualified students that work in the agricultural and industrial sectors but also serve the community. This year, the KCIT has reviewed its 3-year Budget Strategic Plan (2022-2024) to enhance the efficiency of budget implementation for strengthening the Institute organising procedure. The annual budget has been used for capacity building of administrative and teaching staff, classrooms and farm preparation, curricula, textbooks and teaching materials development, as well as for providing teaching staff with technical training skills, both locally and abroad. Therefore, the main purpose of the annual budget allocation is focused on the organisation operation, the development of staff capacities and the quality of teaching and learning.

**First activities cluster: Finance Office allocated annual budget to support the quality, equity and inclusiveness to enhance lifelong learning for students:**

- Support monitoring and evaluation of the institution's process.

- Increasing the number of students enrolled in technology taking into account equity, inclusiveness and in line with the national needs.
- Strengthening and increasing cooperation with both public and private partners, domestic and foreign, to improve the quality of teaching and learning, as well as of the research projects and community services.

**Second activities cluster: Finance Office played its importance role to ensure the effective management process in all units of the Institute:**

- Allocated extra budget for developing institutional capacity and improving the qualifications of the Faculty staff.
- Expense on seminars and workshops to promote work encouragement and effectiveness, etc.

## **EVIDENCE OF SUCCESS (RESULTS ACHIEVED)**

### **Progress made by implementing reforms in 2020**

#### **A. Education Management Reform Strategy**

**1. Academic Management Reform:** The institute implemented this task in accordance with the principles and guideline of the Ministry of Education, Youth and Sport, focusing on the quality of education and training, equality, inclusiveness and lifelong learning for all. Therefore, the institute has spent most of its annual budget in reforming the education management, including:

- Adjusting curricula and teaching hours, according to specific needs.

## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

- Preparing and compiling technical textbooks in accordance with the needs of students and teachers.
- Improving teaching methods. There are technical meetings to exchange experiences in teaching methods every month.
- Providing budget to purchase the necessary equipment for the production of sufficient affordable materials in the teaching and learning process.
- Setting up technological materials for teaching and learning and labs in response to global technological developments.
- Preparing, reading and researching documents and information technology equipment, such as books, new computers, high-speed Internet, etc. for the library to urge students to read and research in the library.
- Training students in analysing, solving problems, and working in a team, focusing on the learning advantages. A system of incentives and penalties has also been established for staff, students and teachers.

**2. Administrative Management Reform:** The Office of Finance has allocated 20 % of the annual budget of the Institute to support the administrative management for ensuring the effectiveness and efficiency of the coordination of the Institute's permanent tasks. The administrative management has spent most of the budget in:

- Organising a meeting to improve the roles and responsibilities of supporting staff properly, preparing legal documents according to administrative procedures.

- Allowing and encouraging local authorities and communities to participate in the management activities of the Institute.
- Creating a work environment to increase trust and cooperation.
- Monitoring the presence of check-in and check-out times of academic staff.
- Establishing a system of incentives and penalties for supporting staff.

**3. Financial Management Reform:** Regarding the management of public finances, the institute has taken into account the need to send the staff of Finance Office to participate in workshops and seminars to improve the capacity and skills in budget management and plans. It is also focused on the training of the procedures of allocating the Program Budget (PB) and encouraging the Finance Office staff to prepare budget strategic plans (BSP), annual budgets, Annual Operating Plans (AOP) and other action plans in order to use the budget effectively to achieve good results in accordance with the objectives set by the Institute. The financial management reform has been conducted as follows:

- Preparing, editing and improving the roles and responsibilities of financial officers.
- Reviewing the implementation of the budget and payment of the Program Budget for year 2020.
- Thoroughly reviewing the approval of budget requests.
- Planning strategic budgets, reviewing, improving and approving the annual operating plan.

## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

- Establishing mechanisms and expense committees to properly evaluate budget expenditures.
- Increasing transparency in budget implementation.

**4. Human Resource Management Reform:** The institute is supported by the Ministry of Education, Youth and Sports in collaboration with the Thai Royal Project for Supporting the Cambodian Education System. The Financial Office has been involved in the human resource management reform, which included the following:

- Encouraging and supporting academic staff and students to continue studying for a Master's degree in Technology, both domestic and abroad, to improve their teaching skills and working effectiveness.
- Developing short-term and long-term capacity development plans for supporting officers and teachers.
- Trying to foster cooperation to provide scholarships to the staff of the institute to continue their studies in educational institutions, both locally and abroad.
- Developing a system to evaluate teaching staff taking into account the academic performance of students.

#### B. Higher Education Reform Strategy

The Kampong Chheuteal Institute of Technology is a higher education institution located in the Prasat Sambor district, which is a less developed area in the Kampong Thom province, more than 200 kilometers away from Phnom Penh. The Institute operates its teaching and learning activities at a tertiary level in TVET, focusing on Industrial

and Agriculture Technology. KCIT has been allocating a big amount of its annual budget to implement a series of higher education reform points, such as:

- Expense for improving the quality of teaching and learning and developing curricula at higher education level, especially online courses.
- Expense for promoting research and encouraging research competition.
- Support in establishing an internal quality assessment committee.
- Promoting the enrollment of higher education students by providing 100 % scholarships and dormitories for students and teachers.

### **C. Youth Development Reform Strategy**

The Kampong Chheuteal Institute of Technology has also shared its budget to support youth development activities, such as:

- Setting up some projects to provide opportunities for young people to receive quality education, training, equity and a good learning environment through short-term and long-term technical training, focusing on hands-on activities, student work exhibitions, study visits and internships, etc.
- Processing start-up programs to encourage young people to be creative, innovative and entrepreneurial by generating products to sell and earn money.
- Supporting life skill and health care programs to develop young people's physical fitness, knowledge, morals, as well as to teach

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### 2.2 Improving Quality of Student Education through Teachers' Professional Development

them how to live together in peace and harmony by sending students to participate in provincial, national and international fields to join with other outstanding students at both national and provincial level.

#### **D. Physical Education and Sport Development Strategy**

KCIT has contributed with its income to develop projects concerning physical education and sports, focused mainly on:

- Developing sports complexes for physical education and sports activities at the Institute by organising training courts and sports fields for recreation and competitions. KCIT has also sent sports teams and athletes to participate in provincial, national and higher education sports events for students.
- Encouraging lecturers, students and the institute's community to participate in sports and exercise activities at the institute's sports complex to promote good health.

#### **POTENTIAL FOR LEARNING OR TRANSFER**

- Public and private sectors are invited to develop and set up labour market links to meet the demands of industrial progress.
- To combine theory with practice in labs, workshops and farms.
- To establish a school foundation through which to collect donations for the development of the Institute.

#### **FURTHER INFORMATION**

- The KCIT has also joined MoU with several institutions both locally and overseas:



- The Southeast Asian Ministers of Education Organization Regional Center for Technical Education Development (SEAMEO TED), Cambodia
- Toshiba Co, Ltd., Thailand
- University of Alicante, Spain
- Maha Sarakham University, Thailand
- Rajamangala Rajabaht University Isan Campus, Thailand
- Chulalongkorn University, Thailand

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## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

# KAMPONG SPEU INSTITUTE OF TECHNOLOGY (KSIT)



Title of the Good Practice

**Improving Quality of Student Education  
through Teachers' Professional Development**

## BACKGROUND

The Kampong Speu Institute of Technology (KSIT) is a public higher education institution focused on agricultural and industrial technology, which covers the area of 200 hectares and is located in O' Angkum Village, Amlaing Commune, Thpong District, Kampong Speu Province, in the Kingdom of Cambodia. It was established by the Sub-Decree No. 62 ANK.BK dated May 20, 2015 by the Royal Government of Cambodia.

The KSIT is currently under the supervision of the Ministry of Education, Youth and Sport of Cambodia. It receives sponsorship from Her Royal Highness Princess Maha Chakri Sirindhorn through an education project of the Kingdom of Cambodia and has comprehensive collaboration with various higher education institutions in Thailand.

The KSIT developed its strategic plan in 2017-2022, which is a roadmap for striving to reach a vision: to be one of the provincial leading public higher education institutions, preeminent in agricultural and industrial technology, creativity and innovation, committed to serve its local and national development sustainably. The KSIT's mission is to provide an opportunity to students living in remote areas, who are unable to afford their studies in the big cities, and to receive a technical and vocational education of quality.

Currently, there are 230 fully funded scholarship students enrolled in six majors—Plant Science, Animal Science, Fisheries Science, Business Computer, Electrical System Installation and Food Technology. The scholarship selections process are as follows:

- MoEYS publishes the scholarship manuals and distributes them to high schools throughout the country to collect the completed scholarship application forms. Then, the MoEYS evaluates the application of the applicants and select the successful candidates (for bachelor's degree only) and sends the result to KSIT.

## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

- KSIT organizes the scholarship examination to select both associate and bachelor's degree students. This process is informed to the public around one month in advance. Then, KSIT submits the scholarship result to MoEYS for official recognition. Once the MoEYS receives the lists of successful candidates from KSIT, the official result recognized by the MoEYS is publicly released and sent to KSIT. With the established internal selection committee, KSIT then conducts a meeting to discuss, evaluate and select priority students to receive a monthly stipend to support their daily academic life. The priority students refer to the poor and/or indigenous students with an evidence certificate from the authorities. KSIT selects 30% of associate and 10% of bachelor's degree students based on Sub-Decree No. 174 ANKr.BK dated on May 04, 2014 about scholarship and dormitory support for students in public institutions. KSIT submits the request letter to MoEYS and Ministry of Economy and Finance to obtain the scholarship allowance.

KSIT has experienced collaborating in research studies with various organisations, for instance, the Ministry of Education, Youth and Sport and Higher Education Institutions in Thailand in the areas of Agricultural Development, Industrial Development, Education Reform, Educational Evaluation, Education Strategy and Vocational Education.

***Kind of Good Practice: Effect of Financial Management on Staff Professional Development and Student Quality.***

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

During the past years, KSIT has succeeded in producing qualified students to serve the agricultural and industrial sectors, as well as to serve the community. As a result of effective financial management and an appropriate allocation of the operational budget, the majority

of staff are self-developed and students who graduated from the programs are able to set up their personal business, work in private enterprises, and pursue their studies at higher levels, respectively. This achievement stems from several budget plan activities, as follows:

### 1. Building staff professional development through:

- Cooperation with the private sector in organising short training, field trips, transferring current technology, conducting joint-research studies on innovation, and developing and reviewing the curriculum to meet the labour market demand.
- Organisation of internal capacity development by providing mentorship for newly experienced teachers so that they can feel more confident to perform their work, establishing internal professional learning communities (PLC). The teacher community is formed to share and exchange ideas concerning teaching, as well as to provide solutions to the current challenges in teaching. The process of this PLC may be carried out face to face or through online communication. In the case of face to face meetings, a regular monthly meeting is scheduled. In addition, capacity development is undergone through promoting and encouraging teaching staff to conduct research on innovation, and encouraging long-term further education.
- Building strong self-commitment to lifelong learning by being enthusiastic to learn and explore more about the current development of the world, particularly, their knowledge and skills in their teaching areas; being curious to develop themselves; identifying areas to be self-improved via their own assessment and the feedback collected from student evaluation and conducting regular self-assessment using the model of PLAN-DO- CHECK-ACTION (PDCA).

## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

#### 2. Promoting quality in the education of students

Implement scholarship programs: Students are provided with free tuition fees and dormitories.

- Carry out the Individual Study Plan (ISP) project: Students are provided with the opportunities to do field trips to a number of enterprises during their study in the first semester in order to cultivate their learning enthusiasm. As a result, students will identify their learning interests and see their future opportunities after visiting the enterprises.
- Launch a counselling program for students' academic pathway: Each student is assigned to have their own advisor. Students can demand counsel concerning all the academic matters with their advisor to achieve their learning goals.
- Provide support to students: Students can access free internet access throughout the campus and undertake their distance learning through a learning management system (LMS).
- Support the exploration of innovation and hand-on project: Students are happy when they are given opportunities to explore something new using laboratories and makerspace to run their projects. For example, students conduct experiments on animal breeding trying different formula of animal food and generating solar energy.
- Link school curriculum to industrial needs. Positive learning behaviour is a key factor in students' success in terms of academic performance. To have this behaviour, the input should be carefully considered, for instance, offering a curriculum that responds to students' needs, integrating technology with

formation, building a positive learning atmosphere by giving more relaxed hand-in-project work, and assigning capable teaching staff to carry on instructional work.

### **EVIDENCE OF SUCCESS (RESULTS ACHIEVED)**

- Based on the Annual Operational Plan for 2020, the institute has started and completed the implementation of all activities (100 %). The results of the activity implementation are the following:
  - 80% of teachers and staff receive additional professional development. This accounts for a 10% increase as compared to the previous year.
  - 94% of students who graduated from the programs set up their personal businesses, worked in private enterprises or pursued their studies at higher levels.
  - 70 % of teachers and staff were assigned to work in accordance with their qualification. This accounts for a 10 % increase as compared to the previous year. In addition, three IT systems were developed and launched to assist in organisational operations.

### **POTENTIAL FOR LEARNING OR TRANSFER**

- The public and the private sectors are invited to help develop to meet the industrial demands for progress.
- Link theory with practice.

## II. GOOD PRACTICES

### 2.2 Improving Quality of Student Education through Teachers' Professional Development

#### FURTHER INFORMATION

- The Kampong Speu Institute of Technology has received sponsorship from the Royal Patronage of HRH Princess Maha Chakri Sirindhorn of Thailand.
- The KSIT has also joined MoU with several institutions both locally and overseas.
  - The Southeast Asian Ministers of Education, Organisation Regional Centre for Technical Education Development (SEAMEO TED), Cambodia
  - Institute of Vocational Education in Agriculture, Central Regions 1, 2 and 3, Kingdom of Thailand in cooperation with the field of education.
  - Toshiba Co, Ltd., Thailand
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## II. GOOD PRACTICES

### 2.3 Financial management, incentives and productivity

# NATIONAL INSTITUTE OF EDUCATION



Title of the Good Practice

**Performance-based Incentives (PBI) for  
Increasing Productivity and University's Image  
Creation: Case of NIE**

## BACKGROUND

The National Institute of Education (NIE), which is currently located in the heart of the capital city of Phnom Penh and was firstly established in 1941, is one of the oldest Higher Education Institutions in the Kingdom of Cambodia. It is a governmental institution, which is under the direct supervision of the Ministry of Education Youth and Sports (MoEYS). Since then, the institute has been developed and renamed many times in history: (1) in 1941, School of Pedagogy (2) in 1958, National Institute of Pedagogy (3) in 1965, Faculty of Pedagogy (4) in 1975-1979, The Faculty of Pedagogy was closed and destroyed by the Khmer Rouge. The regime was known as the Killing Fields (5) School of Politics for the MoEYS in 1979 (6) in 1980, School for central-level Teacher Training and Pedagogy (7) in 1986, Supreme School for Educational Administrators (8) in 1992, Faculty of Pedagogy and (9) in 2004, the National Institute of Education, which is its actual name.

Based on the Royal Government Strategic Plan and the reform grounded on 5 pillars for enhancing the quality of human resources, the National Institute of Education, which is the only one providing changes in training for high-school teachers and educational administration officially at all levels in the country, has implemented a strategic plan, as well as roles and responsibilities, especially focused on the teachers' training and education both for pre-service and in-service training.

In the first place, for the pre-service training, the National Institute of Education offers training for (1) Specialised high-school teachers, (2) Lower secondary school teachers specialised in French and English, (3) Master's in Educational Management, (4) Education inspectors with a new system (systemic inspection), (5) Training for school principals, and (6) PhD in Educational Management.

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### 2.3 Financial management, incentives and productivity

Secondly, for in-service training, the National Institute of Education has been conducting (1) Ongoing training for existing educational inspectors concerning the systemic inspection, (2) Training for high-school teachers and teaching methodology, skills in laboratory science (3) Training for education administration officials at provincial levels in educational planning throughout the country, (4) Training for high-school principals in the new inspection system, and (5) Training for the directors and the deputies of secondary resource schools, responsible for the schools and laboratories in 25 provinces.

The goals of the National Institute of Education (NIE) are to transform NIE into a leading Higher Education Institution in charge of training Cambodian teachers and education administration staff. NIE has four goals: (1) Quality and responsive teacher training and development in the country and region, (2) Quality in the training of education officials and development in the country and region, (3) Research capacity of education officials, pre-service and in-service students in pedagogy and new teaching methodologies, and (4) Excellence in leadership, management, HR, and commitment to the environment.

***Kind of Good Practice: Financial management, incentives and productivity.***

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

Based on the Royal Government Strategic Plan and the reform with its 5 pillars for enhancing the quality of human resources, the National Institute of Education, which is the only one that provides changes in the training of high-school teachers and educational administration, official at all levels in the country, has implemented a strategic plan, as well as roles and responsibilities, especially focused on the training of teachers and education officials both for pre-service and

in-service training. For the pre-service training, the National Institute of Education offers training for (1) High-school teachers of specialised subjects, (2) Lower secondary school teachers specialised in French and Math, French and Biology, and French and Physics, (3) Master of Educational Management, Master of Methodology in French, and Master of Education in Pedagogical Counselling, (4) PhD in Educational Management, (5) Educational inspectors trained in the new inspection system (systemic inspection), and (6) School principals' training.

NIE has the autonomy to run its own financial management. The key players that have authority in the decision-making of NIE's financial management are The Board of Directors, the director, the deputy director in charge of the accounting office, the heads of department, the offices and the accounting office. NIE has full authority to order its financial management to raise the budget for implementing the activities. Each department and office can propose the activities and budget in the annual operation plan (AOP).

On the other hand, there are several projects that supported NIE in capacity development, the renovation, upgrading and redevelopment of the campus at NIE, while also providing the materials for said renovation, as well as for teaching and learning. NIE has the authority to restructure its financial management organisations based on the autonomy given by the government. It also has the authority to branch out its revenue generating activities through NIE's assets in order to increase its annual income. These include research and consultancy carried out for industry, donations and sponsorship and income earned from trading activities.

Moreover, for in-service training, the National Institute of Education has been conducting (1) ongoing training for existing educational inspectors in the systemic inspection, (2) training for high-school

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teachers regarding specific contents and teaching methodology, as well as skills in laboratory science, (3) training of education administration officials at provincial levels in education planning throughout the country, and (4) training for high-school directors in the new inspection system. On the other hand, the NIE is reviewing its own strategic plan, as well as renovating the whole campus and infrastructures. Trainers are improving the capacity of education and skills, through measures such as (1) reviewing the current curriculum to match the labour market, (2) improving teaching pedagogy and methodology through workshops and the creation of new textbooks.

On behalf of the management staff, educators, and teacher trainers of the National Institute of Education, we warmly welcome His Excellency, ladies and gentlemen, students and trainees who wish to study at the National Institute of Education, to start careers as managers of education, inspectors of education and qualified teachers, recognised by the Ministry of Education, Youth and Sports, as well as by The Royal Government of Cambodia. We also wish to welcome the development partners, collaborating with the National Institute of Education in the improvement of the educational resources in Cambodia.

#### **EVIDENCE OF SUCCESS (RESULTS ACHIEVED)**

NIE has implemented budget management at its campus. It also has a private budget management, obtained from private courses approved by the Ministry of Education. Thus, the accounting system can also manage those incomes.

Online platforms have been set up at the whole campus with the new online teaching methodologies using a free online application from Google, G-Suite. The management staff and the teachers were trained to use the G-Suite application, especially using Google Classroom for

managing documents and Google Meet for communicating and online learning. You can create and follow up, coach and mentor together with the trainers and staff at NIE. The institution also implemented capacity development in textbook writing, as well as the assessment of the designing indicators for Math, and Science. Moreover, ICT teachers have more support from technical staff.

Furthermore, the NIE technical staff also provided training in “teaching and learning management using G-Suite”.

### **POTENTIAL FOR LEARNING OR TRANSFER**

The NIE is an old training institution around 103 years old, and it has a large campus located in the city centre of Phnom Penh. The NIE is a unique higher educational institution with roles and responsibilities in training teachers and educational administrators. It is comprised of 239 members of staff, including 145 teacher trainers, 19 of whom hold doctoral degrees and 150 hold a Master’s degree. Most management boards and teacher trainers can speak languages and use the computer well. Most English-speaking teacher trainers assess the trainees in terms of knowledge, experiences, teaching methods, and academic encouragement.

Moreover, all lecturers and staff are trained in new teaching methodologies, such as Model 5Es, problem-solving, adaptive learning, constructivist learning, inquiry-based learning, and so on. These methodologies are expected to be applied in high schools throughout the country.

### **FURTHER INFORMATION**

By seeing the progress of NIE, especially as regards the capacity development of the trainers and staff, there are visible improvements,

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and the Ministry of Education, Youth and Sports has given priority to the teacher reform. The Management Board is actively involved with leaders from the MoEYS, which means there is a strong partnership founded. The NIE has developed good cooperation with regional and global development partners and it obtains support from other partners, such as the Asian Development Bank (ADB), the JICA, which helps strengthen its capacity and scope, the CDPF, which helps strengthen the capacity at a sub-national level regarding the planning and management, UNICEF, helping with school inspection and assessment methods and BALANCE, helping with the improvement of the financial management.

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## II. GOOD PRACTICES

### 2.3 Financial management, incentives and productivity

# NATIONAL UNIVERSITY OF MANAGEMENT



Title of the Good Practice

**Performance-based Incentives (PBI) for  
Increasing Productivity and University's Image  
Creation: Case of NUM**

## BACKGROUND

The National University of Management (NUM) was established in 1983, and has been recognised as one of the leading public universities in business and management education in Cambodia. In 2005, it was recognised as a public non-profit administration. NUM's vision is "To be the leading research university in advancing entrepreneurship and innovation". In order to achieve this vision, resources have been invested in infrastructural improvements and staff development, which provide the most conducive learning environment. Not only have the facilities and faculty been upgraded, but the content of its curriculum must also evolve to meet the needs of the changing educational and commercial landscapes. Its mission is "To cultivate innovative leaders, managers, and entrepreneurs for society." In order to achieve its vision and mission, NUM is strongly committed to promoting and protecting its existing core values as the foundation of its academic culture: quality, research, innovation, green campus, and students.

The University is at the forefront of economics, business, finance and management of education nationwide, and has produced a number of leading scholars, professionals and successful entrepreneurs for the Cambodian society. NUM has been playing a very important role in actively developing human resources for Cambodia. From the establishment of NUM in 1983 to the academic year of 2019-2020, NUM has had 51,887 graduates at all levels. Out of these, 6,746 are scholarship students, and 45,141 are tuition students. Currently, there are roughly 14,600 students enrolled studying different fields in Bachelor's, Master's, and doctoral programs.

***Kind of Good Practice: Financial Management, incentives and productivity***

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### 2.3 Financial management, incentives and productivity

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

The organisational structure of NUM comprises the board of directors, university management, staff, full-time lecturers, and national and international contract lecturers, which amount to a total of 396 staff members.

The Governing Board is the highest decision-making body of NUM. It is responsible for the overall financial governance, policy and strategy of the University. The Board approves the strategic plan, the 3-year development plan, the finance manual, the annual budget, as well as the quarterly and annual financial statements.

The Rector and the management team are responsible for leading the development of NUM's strategic plans. They are also responsible for operational decision-making. They will implement the annual budget, review the financial performance of the University, and report to the NUM board.

The management team is also responsible for ensuring that the internal control system is working effectively, and that all the reporting and statutory requirements of the University are fulfilled.

The Chief of the Finance Unit and the finance staff are responsible for operating and maintaining the financial systems, as well as for reporting on the financial performance and financial position of the University. The finance unit implements the approved financial procedures.

The finance unit shall be well organised, with a clear reporting structure. All staff shall have clear job descriptions that explain their individual responsibilities.

It is not practical to expect the Board or the Rector to make all the decisions and authorise all transactions. Therefore, the Rector will delegate authority to appropriate officials of the HEI to allow transactions to be processed efficiently with sufficient policy oversight.

NUM normally prepares a strategic plan to explain the vision and mission of the University, the targets for the next 5 years and the chosen strategies needed to achieve them. The strategic plan shall be supported by an additional strategic financial plan.

NUM prepares a consolidated annual budget for each financial year. The budget helps direct the University so that funds are used in the most effective way, and it also helps ensure that there is sufficient authority to spend funds each year. The budget depends on the strategic plan as well as the strategic financial plan and the 3-year development plan.

### **EVIDENCE OF SUCCESS (RESULTS ACHIEVED)**

As a public non-profit administration university, NUM is a self-financing university. The university's incomes come mainly from student fees (approximately 90 %) and the remaining funding comes from the government. The NUM budget has remained stable over the past years. Financial management systems have been adopted through the Management Information System (MIS). Moreover, e-learning systems have been introduced soon after the COVID-19 pandemic. After implementing MIS in its system, NUM achieved significant improvements, such as:

- Transparency and improvement in financial management.
- Significant improvement in quantity and quality of enrolment.

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### 2.3 Financial management, incentives and productivity

- Innovation in environmentally friendly spaces for staff.
- Yearly updates in teaching approaches.
- Improvement in student communication and affairs.
- Specification and delegation of roles, responsibilities and authorities.

The University develops a delegated authority list to show clearly who has the authority to make decisions, commit expenditure and sign legal documents on behalf of the HEI.

The list will show any limits or conditions that apply to delegated authorities. This will include the maximum amount of authority of each official to approve these conditions, and it may also limit the approvals to certain categories of expenditure or certain faculties or departments within the HEI.

The delegated authority list shall address the approval and responsibilities for tasks, including the following:

- Approving purchase requests and purchase orders for goods and services.
- Signing contracts with suppliers.
- Signing contracts and grant agreements with donors and funding agencies.
- Approving payments and payment vouchers.
- Approving petty cash payments.
- Approving income and receipt vouchers.

- Approving journal vouchers.
- Approving financial statements and finance reports to external bodies.
- Opening and closing bank accounts.
- Banking operations including transfers between accounts, payroll, opening savings and fixed-term deposits.
- Setting up petty cash accounts.
- Disposal of assets.

### **POTENTIAL FOR LEARNING OR TRANSFER**

NUM's financial management systems should be further updated. The e-learning system is still in use and popular among students and lecturers after the COVID-19 pandemic. The potential for learning and transfer includes:

- Financial management.
- Develop new app for student enrollment and payments.
- Quantity and quality of enrollment.
- Environmentally friendly spaces.
- International programs and cooperation.
- Teaching approaches.
- Student communication and student affairs.
- Roles, responsibilities and authority of each unit, etc.

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### 2.3 Financial management, incentives and productivity

#### FURTHER INFORMATION

All information can be obtained from the NUM Strategic Plan 2019-2023, NUM's Prospectus, NUM's website, as well as from day-to-day practice.

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## II. GOOD PRACTICES

### 2.3 Financial management, incentives and productivity

# UNIVERSITY OF HENG SAMRIN THBONGKHMUM



Title of the Good Practice

**Performance-Based Incentives (PBI) for  
Increasing Productivity and University's Image  
Creation: Case of UHST**

## BACKGROUND

The University of Heng Samrin Thbongkhmum (abbreviated as UHST) is a public university established following the sub-decree No. 24 OrNorkro Bokor, dated 5th February 2016, and officially inaugurated on the 11th of February 2016, as a result of the cooperation between the Royal Government of Cambodia and the Ministry of Education, Youth and Sports (MoEYS). The vision of UHST is to become a leading education and training centre in Science and Development in Cambodia. In this sense, UHST provides public education, research, community development and social services with a main focus on Science, Technology, Engineering and Mathematics (STEM). UHST offers Vocational Training-TVET, Associate's and Bachelor's degree programs, which comprise 4 faculties and 3 institutes with 22 programs, overall. UHST has a licence from the Ministry of Education, Youth and Sports to open the Master's programs in 2020, and it will also operate the Master Class of Food Processing and Innovation at the beginning of year 2021. The university aims at equipping students with specialised knowledge and practical skills, as well as providing education, research, community services and development. It consists of a unique Higher Education Institution in Cambodia, focusing on quality education. The core elements of UHST's purpose are (1) to become a role model of higher education institutions in terms of technology and science in Cambodia; (2) to build up students' knowledge, know-how, and innovation so as to contribute to the community development; and (3) to train students in obtaining the necessary working skills to get a better job and support their academic life.

***Kind of Good Practice: Financial management, incentives and productivity***

## II. GOOD PRACTICES

### 2.3 Financial management, incentives and productivity

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

A higher education institution is a service organisation through which employees are the main resource for providing services to students and all related parties. Educational, administrative staff and lecturers are key in the running of the organisation's operational activities. Formal control and implementation of performance-based incentives with appropriate measurement indicators can increase organisational productivity. UHST implements performance-based incentives by using both in-class and online systems so that they can be accessed in any place at any time. Education staff are assessed based on disciplinary components and monthly performances as well as outcome components that emphasise work performance, work processes, and personality qualities. Lecturers are evaluated on the basis of their achievements in each semester, according to the National Qualification Framework (NQF), issued by the Accreditation Committee of Cambodia (ACC). At the UHST, lecturers need to fulfill the needs according to the performance indicators stated within NQF as well as to comply with UHST's academic policy. All categories of lecturers see the importance of positively contributing to the university's performance as an organisation. A successful way of managing educational institutions is recognising external parties. The achievement of performance indicators by UHST employees can improve the university's image both nationally and internationally. For example, one lecturer was offered to study a Ph. D course at the University of Hong Kong after his performance was highly evaluated, reflecting his contribution to the educational quality of students and the image of UHST. Six other teachers were also supported to study Master courses at the University of Hong Kong after good performance-based results.

### EVIDENCE OF SUCCESS (RESULTS ACHIEVED)

The implementation of online performance-based incentives at UHST has been a step towards modernisation regarding the management of personnel in Indonesia. This has become a means of increasing organisational productivity for educational personnel based on discipline and the achievement of performance, which is evaluated monthly and emphasises work performance, work processes, and personality qualities. Educational staff that comply with the rules work on tasks according to certain standards, accurately and timely, and are responsible for providing excellent services to students. Moreover, the academic community benefits from this implemented system. Educational staff is evaluated once a month, whereas lecturers are assessed each semester concerning the performance criteria mentioned above, depending on their category. The assessment of lecturers' performance still refers to NQF and UHST's academic policy. The lecturers that place importance on the university's performance as an organisation (considering the increase in student/ international/ regional/ national performance, the publication of research articles published in reputed international journals) can increase the university ranking at an international level. The implementation of online performance-based incentives had a very positive impact on the organisation. Evidence of this impact includes the increase in the number of recognitions at the local, regional, national and international levels.

For example, the lecturers mentioned above have been improving their tasks and teaching methods to reach the required standards and also influenced other staff members and lecturers to work hard to obtain high performance-based incentives, such as support for Ph.D./ Master's degrees, more teaching hours and status promotion.

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### 2.3 Financial management, incentives and productivity

#### POTENTIAL FOR LEARNING OR TRANSFER

The implementation of online performance-based incentives in universities has been widely spread in universities around the world and it is the most appropriate method, considering the COVID-19 pandemic situation. This system implies a new culture, as the University's employees, both lecturers and educational staff, are required to accomplish their goals according to performance targets based on predetermined indicators.

#### FURTHER INFORMATION

Taking into account the progress made by the UHST, especially concerning educational staff and lecturers placing importance on the university, MoEYS authorised UHST to launch a Master's program, and the World Bank also included UHST in a project concerning high school income generation through life skill training.

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## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

**NATIONAL MEANCHEY  
UNIVERSITY**



————— Title of the Good Practice —————

**Incentives for Improving Motivation and  
Working Performance: Lesson Learnt from  
National Meanchey University (NMU)**



## BACKGROUND

Established in 2007, Mean Chey University is a non-profit public higher-education institution located in the small city of Sisophon, Banteay Meanchey. Officially recognised by the Ministry of Education, Youth and Sports of Cambodia, Mean Chey University (NMU) is a co-educational Cambodian higher education institution. Mean Chey University (NMU) offers courses and programs leading to officially recognised higher education degrees in several areas of study. NMU also provides several academic and non-academic facilities and services to students, including a library, as well as administrative services.

On the 15th of December, 2020 it was requested through an official letter that the university's name be changed from Mean Chey University (NMU) to National Meanchey University (NMU), without altering its educational programs.

***Kind of Good Practice: Financial Management with incentives for improving motivation and working performance***

## DETAILED INFORMATION OF THE GOOD PRACTICE

As one of the public higher education institutions in Cambodia financed by MEF, NMU is an organisation where academic and research services are provided. In this sense, academic and administrative staff, as well as lecturers, are the key human resources to run the organisation's operational activities. In addition to the tuition fees, there are some daily operational activities available. Staff members of the administration helping with extra teaching receive an hourly wage allowance.

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### 2.4 Financial Management with incentives for improving motivation and working performance

#### EVIDENCE OF SUCCESS (RESULTS ACHIEVED)

Through the implementation of incentives for improving motivation and working performance, there have been some good results in our teaching and staff. Some senior members of staff are willing to share their own good teaching experience with the juniors in the faculty and the deans as well as other faculty members. They are all encouraged to update their curriculum for programs in order to meet the current job market needs.

#### POTENTIAL FOR LEARNING OR TRANSFER

With the good governance and support from certain projects, some of our staff have good opportunities to upgrade their qualifications and develop their capacities by pursuing a Master's or PhD degree, as well to attend some trainings and workshops.

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## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

# NATIONAL UNIVERSITY OF BATTAMBANG



Title of the Good Practice

**Incentives for Improving Motivation and  
Working Performance: Lesson Learnt from  
National University of Battambang (NUBB)**

## BACKGROUND

The National University of Battambang (NUBB) is a young public university in Cambodia, established in 2007, and renamed to be the National University of Battambang (NUBB) in 2020 to provide opportunities to students living in rural areas, especially in the north-western part of Cambodia and to have access to higher education services in order to develop their individual careers, as well as those of local communities, while also reducing knowledge gaps between the rural and urban areas. The NUBB's goal is to educate the leaders of tomorrow in a wide range of fields through a balance of theory and practice. The NUBB works closely with the local community, the government and non-governmental organisations, companies, and consortium universities both from the region and worldwide. It has five faculties and one institute: (1) Faculty of Business Administration and Tourism, (2) Faculty of Agriculture and Food Processing, (3) Faculty of Sociology and Community Development, (4) Faculty of Arts, Humanities, and Education, (5) Faculty of Science and Technology, (6) Institute of Foreign Languages, and School of Postgraduate. The NUBB has over 3,500 local students who are currently studying in its graduate and post-graduate programs. The NUBB promotes networks leading to better academic results, fosters international links and strengthens the skills for scientific and technical research works. To achieve our university's vision, the NUBB has to improve the quality of education through strengthening STEM and agriculture to be recognised at regional and international levels. Regarding capacity-building for staff, the NUBB's staff and lecturers obtained support from government funds, such as the Program Budgeting (PB) and the Higher Education Improvement Project (HEIP), as well as from Erasmus + projects. The NUBB's strategic plan has been developed through financial and technical support from the Royal Government of Cambodia and the World Bank. This strategic plan has been issued by

## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

the Ministerial Prakas Number 3224 RYKr BrK on the issue of NUBB's Strategic Plan for 2021-2030. The NUBB envisioned to be a prestigious, comprehensive and research higher education institution of prestige, excellence and trust in the national and international frameworks.

***Kind of Good Practice: Financial Management with incentives for improving motivation and working performance***

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

As other public universities, the NUBB is financed by MEF. The NUBB is a public comprehensive university where academic and research services are promoted. Practically, academic and administrative staff and lecturers are the key human resources to run the organization operational activities. The NUBB has provided some incentives to motivate the staff for the purposes of educational quality, productivity, and job satisfaction. In addition, lecturers and staff are evaluated on the basis of their working performances during each semester. We conducted internal self-assessment reports (SAR) to conduct external evaluations to those carried out by the Accreditation Committee of Cambodia (ACC). It is essential to make sure that all academic programs (curriculums) are aligned with the national qualification framework (NQF) and other regulations. In terms of good practices, we use digital tools to manage our students, inventory, and financial management. The NUBB has already prepared the Consolidated Financial Report in 2020 –all financial information has been recorded and collected in the system.

#### ▶ EVIDENCE OF SUCCESS (RESULTS ACHIEVED)

Based on our experiences, incentives, motivation, and accountability in enabling the improvement of our staff's working performance, we

need to harmonize and share common benefits for all staff and faculty members. The National University of Battambang has two main missions: (1) to train national and international competent students to respond to labour markets, and (2) to conduct scientific research to enhance productivity and national economic growth. To achieve the university's missions, the NUBB has four main strategies. In the first place, the NUBB cooperates in a partnership with national and international universities as well as with other relevant institutions that have standardized and accredited curricula at both national and international levels. Secondly, the NUBB cooperates with national and international companies and universities on research investment projects. Thirdly, the NUBB organizes an annual forum to disseminate study and research results, as well as an investment program plan with students, parents, the private sector and development partners. The NUBB modernizes the institution by producing, compiling and using data to seek support from all relevant ministries and stakeholders. Results are based on the work and the incentives based on performance, which had a very positive impact in the Cambodian context. Evidence of this impact includes the increase in the education quality and a number of recognitions at the local, regional, national and international levels.

### **POTENTIAL FOR LEARNING OR TRANSFER**

The NUBB has to promote the implementation of Human Resource Management and Human Development Policy in order to sustain its human capital. With the financial support from some projects, our staff have chances to upgrade their qualifications and develop their capacity by pursuing their Master's or PhD degrees and attending some professional trainings and workshops. The NUBB plans to facilitate the nomination of faculty members to get professorship titles such as assistant professor, associate professor and professor, as well as to

## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

provide extra salaries and other rewards to staff that contributes to the university's professional development.

#### **FURTHER INFORMATION**

The NUBB has made significant progress in many national and international projects to improve learning and teaching, as well as to enhance the institutional capacity of the university, for example through Erasmus+, HEIP (World Bank), JICA, KOICA, TICA, GIZ, AUSIAD, USAID, the Confucius Institute, etc.

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## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

# SVAY RIENG UNIVERSITY



Title of the Good Practice

**Incentives for Improving Motivation and Working Performance: Lesson Learnt from Svay Rieng University (SRU)**

## BACKGROUND

Located in Cambodia's south-east, about 125 kms away from the capital city of Phnom Penh, Svay Rieng University is the only public university in the province of Svay Rieng, which is close to one of the great potential areas for business development in the private sectors at both domestic and international level. SRU is one of the academic institutions that supports the country in generating human resources to fulfil the high demand for labour in the industrial sectors, especially for Special Economic Zones (SEZs). The five faculties established in the university include the Faculty of Agriculture, the Faculty of Business Administration, the Faculty of Science and Technology, the Faculty of Arts, Humanities and Foreign Languages, and the Faculty of Social Sciences. The university has just run the new program for a new engineering department in the Faculty of Science and Technology – the Department of Mechanical Engineering (ME). Regarding capacity building for staff, SRU's staff and lecturers can get support from government funds, such as the Program Budgeting (PB) and the Higher Education Improvement Project (HEIP), as well as from Erasmus + projects.

***Kind of Good Practice: Financial management with incentives for improving motivation and working performance***

## DETAILED INFORMATION OF THE GOOD PRACTICE

As one of the public higher education institutions in Cambodia financed by MEF, SRU is an organisation where academic and research services are provided. In this sense, academic and administrative staff as well as lecturers are the key human resources that run the organisation's operational activities. To encourage all staff, the SRU's management team has approved the internal financial procedure of tuition fees to use incentives for improving motivation and productivity in the

## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

institution. In this regard, SRU's administrative staff can get both salaries from the government as well as monthly allowances from the university. Civil servants working as academic staff (lecturers) receive salaries from both the government and the teaching wages. This procedure can encourage many of our staff and lecturers to perform their jobs satisfactorily because it can partly increase their incomes.

#### **EVIDENCE OF SUCCESS (RESULTS ACHIEVED)**

Through the implementation of incentives for improving motivation and working performance, there have been some good results in our teaching and staff. Some senior staff are willing to share their own teaching experiences to juniors in the faculty, and the deans and faculty members are encouraged to update their curriculum in their programs to meet the current job market needs.

According to SRU's Financial Procedure, approved in 2006, our teaching staff have been encouraged thanks to the teaching wage, complementing the salary from the government. In this sense, SRU's teaching staff can get both their salary and a teaching wage.

#### **POTENTIAL FOR LEARNING OR TRANSFER**

With a good administration and support from certain projects, some of our staff are offered a good opportunity to upgrade their qualifications and develop their capacity by pursuing their Master's or PhD degrees, as well as to attend trainings and workshops.

#### **FURTHER INFORMATION**

Please kindly check the attached document of SRU's Financial Procedure in the Khmer version.

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## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

# ROYAL UNIVERSITY OF AGRICULTURE



Title of the Good Practice

**Performing Internal Budget Control for  
Incentive Teaching Staff**

## BACKGROUND

The Royal University of Agriculture (RUA) is a leading public higher education institution in Cambodia and one of the main institutions supported by the Ministry of Agriculture, Forestry and Fisheries of the Royal Government of Cambodia. The RUA was established in 1964. In the academic year of 2018- 2019, a number of students studied an Associate Degree (137), Bachelor of Science (2806), MSc (44), and Ph.D. (47), amounting to a total of 3034 (out of which 1062 were women). The university has 10 faculties, 9 research centres, 4 offices, 3 divisions, and a graduate school with 153 faculty members and staff. The University has 305 teaching staff both internal (162) and external (143). The University plays a vital role in the education programmes associated with agriculture and relevant sectors for all levels focused on education, research, and extension, particularly capacity building and research concerning sustainable development strategies. The vision is to become the main agricultural university in Cambodia recognised for world-class excellence in education, research, and extension. To achieve its vision, the missions shall provide excellent and relevant educational opportunities in agriculture and allied fields through quality instruction, research, and extension programs that respond to national and global realities to produce globally competitive individuals, support economic development, and promote environmental sustainability. Additionally, the university promoted research culture through workshop participation and training both locally and internationally so that students have the opportunity to improve their knowledge in different environments.

## DETAILED INFORMATION OF THE GOOD PRACTICE

There is a system of accountability for the process and review of business transactions. Cambodia has fully implemented accounting systems, which have adopted an IFRS model, including interpretations,

## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

published by the International Accounting Standards Board (IASB). The full set of standards, including their interpretations, is called the Cambodian International Financial Reporting Standards (“CIFRS”).

The public administration reform is a win-win policy of the Royal Government of Cambodia, thanks to which full political stability was brought to the country. Many reforms have been made, including the development of the database for civil servants, the use of an information technology system to manage human resources, payroll and remuneration, the arrangement and integration of a new employment classification system or retirement, among others. The government made strong efforts with regards to the public administration reform as one of its priority areas to enhance work efficiency as well as public administrative capacity in the country. A public higher education institution (HEI) plays a key role in providing educational service, for which human resources became the main driver of development in the country in all disciplines. Management skills are required as a key factor in the management of finances. Effective financial management needs managers to take responsibility for actions and achievements in exchange for best managerial performance of their inputs. At the RUA's management level, the financial manager has to be responsible for their performance. It should be explained that financial management in the public sector is aimed at ensuring economic efficiency and effectiveness in providing outputs to achieve desired outcomes that will serve the needs of the whole university.

The internal control system is defined so as to make sure that the policies and procedures that are in place protect the assets of an organization and are reliable for financial reporting. The internal budget control for incentive teaching staff of the university is meant



to ensure the efficiency and effectiveness of activities, reliability of the information, compliance with applicable laws, and timeliness of financial reports.

Academic, administrative staff, and lecturers are the key staff for RUA's operational activities. Formal control and the implementation of the best practice of internal budget control with appropriate measurement indicators can increase the quality of higher education institutions. In addition, financial reports help managers discuss results and spending, as well as performance against budget, and they actually work taking into account management reports, which have been prepared by the office's accountant using accounting information systems. Internally, the financial control process integrated four elements: setting objectives or targets for teaching performance, measuring actual performance, comparing this against the standard of the academic plan, and acting to correct any significant gaps. Therefore, controlling is the process of monitoring activities to ensure that results are in line with the plan. Financial control is shown in general authorization, duties, record keeping, safeguarding, and reconciliation. In order to avoid fraud in academic finances, the management level involves clear procedures and responsibilities. Moreover, proper internal auditing was set up adequately at the HEI and government auditing was regularly conducted. As a result, internal budget control could be appropriated. Finally, academic teaching staff found the importance of positively contributing to the university performance as a best practice for the HEI, thanks to which the appraisal of the lecturers' performance constitutes evidence of the national quality framework and RUA's academic strategic plan.

## II. GOOD PRACTICES

### 2.4 Financial Management with incentives for improving motivation and working performance

#### **EVIDENCE OF SUCCESS (RESULTS ACHIEVED)**

A number of indicators were set up in order to achieve the quality of education through the internal performance budget control for incentive teaching staff, which include the disciplined practice and the achievement of teaching performance, evaluated each month. These include a teaching plan (program learning objectives, course learning objectives, lesson learning objectives, teaching methods, assessment performance, teaching hours, and an attendance list of students), emphasizing work performance, work processes and quality. They comply with internal rules and regulations, task assignments according to standards, accuracy and timeliness, providing an excellent service for students to benefit from the national educational standard.

Educational staff is evaluated once a month, whereas lecturers' performance is assessed following the criteria mentioned above, depending on the semester. The appraisal of lecturers' performance follows the national quality framework (NQF) and RUA's academic strategic plan. As a result, the evidence of impact of this internal performance budget control provides a positive image of the university's performance.

#### **POTENTIAL FOR LEARNING OR TRANSFER**

Due to the global Covid-19 pandemic, the implementation of internal performance budget control for incentive teaching staff is a challenge rather than a real practice. However, this system is applied in all universities. Employees, both academic staff and lecturers under the university framework, mainly apply online practices to their performance, based on predetermined indicators set up within the internal budget system.

### FURTHER INFORMATION

This university is implementing the strategic plan 2021-2030.

### CONTACT DETAILS

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## II. GOOD PRACTICES

### 2.5 Roles, Responsibilities, Delegations, and Decision-Making Structures; Incentive scheme

ROYAL UNIVERSITY OF  
PHNOM PENH



Title of the Good Practice

**Governance and accountability: case of RUPP**

## BACKGROUND

The Royal University of Phnom Penh (abbreviated as RUPP), was built in the 1960s. It is the oldest and largest university in Cambodia. RUPP has 76 administrative staff and 307 academic faculty members. The main focuses of RUPP are the following:

1. Building competency (knowledge, skills, values and attitudes) for students in all education and training programs, and equipping them with entrepreneurship skills, innovation skills, cross-cultural competence, and employability skills.
2. Enhancing research and development in all graduate programs.
3. Becoming a leading institution for Social Sciences and Humanities and STEM (Science, Technology, Engineering and Mathematics).

RUPP has 5 faculties, 1 institute, and 1 research centre, as follows:

1. Faculty of Science
2. Faculty of Social Sciences and Humanities
3. Faculty of Engineering
4. Faculty of Development Studies
5. Faculty of Education
6. Institute of Foreign Languages
7. Silk Research Centre

Currently, RUPP has been developing a financial management system. The RUPP hired a private company to develop financial management system software for managing the university's finances. Output from

## II. GOOD PRACTICES

### 2.5 Roles, Responsibilities, Delegations, and Decision-Making Structures; Incentive scheme

the new management system will provide answers to all questions asked by management staff and donors.

**Kind of Good Practice:** Roles, Responsibilities, Delegations, and Decision-Making Structures; Incentive scheme

#### ▶ DETAILED INFORMATION OF THE GOOD PRACTICE

A public higher education institution is a service organisation that obtains funds from the government and donors and tuition fees from students. Managing these funds to support the university's activities is an important task for the financial management unit.

- All departments or offices could request the payment based on their approved budget.
- Request shall be reviewed by the Dean of Faculty or head of office, checked by the head of accounting office, and then approved by the Rector or Vice-Rector of finance. The Vice-Rector of finance could approve payments of up to USD 2,000.
- Based on an approved request, accountants prepare payment vouchers, which are checked by the head of the accounting office and approved by the Rector or Vice-Rector of finance.
- Payments up to USD 500 are made using petty cash. For payments over USD 500, it is mandatory to pay by cheque. To facilitate the payment, we have an internal policy through which USD 10,000 are in our custody in a petty cash vault.
- RUPP uses a modified cash basis of accounting (for cash advances) for both accounting fiscal years and academic years regarding budget and reports.

- Tuition fees are used as an incentive for all members of staff. RUPP's administrative staff get both salaries from the government and monthly allowances from the university. For civil servants working as staff, both salaries are provided by the government, while teaching wages are provided by the university.

### **EVIDENCE OF SUCCESS (RESULTS ACHIEVED)**

RUPP could smoothly control receipts and payments from any sources of funds and could make reports for users in a timely manner.

Currently, students can pay the university through an assigned banking system. This not only reduces physical contact at the university during Covid-19, but it also shows the maturity of FM in the University.

With an appropriate incentive scheme, we have a good work performance from both administrative and academic staffs.

### **POTENTIAL FOR LEARNING OR TRANSFER**

FM staffs are provided with on-the-job training from the government and certain projects. Beside this, they have good opportunities to pursue their Master's or PhD degree at the university.

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# III. CONCLUSIONS



This Good Practices Guide is benefitting from the previous activities of the BALANCE PROJECT. Work Package 1 (Preparation) assessed and compared the Cambodian FM practices and provided a good background to identify good practices in this area. Work Package 2 (Capacity Development) enhanced the knowledge of the Cambodian partners, and the interaction with the EU partners gave them a more holistic approach of the FM practices, allowing to establish different categories of good practices. Those categories have been: 1) Systematic Financial Management Leads to Transparency and Productive Outcomes; 2) Improving Quality of Student Education through Teachers' Professional Development; 3) Financial Management, incentives and productivity; 4) Financial Management with incentives for improving motivation and working performance; 5) Roles, Responsibilities, Delegations, and Decision-Making Structures; Incentive scheme.

The Good Practice Guide will be widely disseminated in Cambodia and presented in a National Conference, with the presence of several local universities. The Guide is targeting not only financial management managers at Cambodian HEIs, but also other actors interested in modernising the higher education system.

More specifically the BALANCE consortium aims with this Guide, first of all, to raise increased awareness on Financial Management Practices. Second, we expect to contribute in order to increasing efficiency, productivity and transparency of the financial management of the Cambodian HE system.





# Good Practices

## for Financial Management at Higher Education Institutions in Cambodia

### D3.3.1 Report

The present report presents the key results from the Erasmus+ project BALANCE- *“Towards Sustainable Financial Management of Cambodian Universities”* that ran from January 2019 to January 2023.

The overall objective of the project was to strengthen financial autonomy and accountability of Higher Education Institutions in Cambodia via modernisation of financial management practices and legal framework.

The report presents a series of good practices of modernisation initiatives undertaken in Cambodia, contributing to the harmonisation of FM practices in Cambodian HEIs.

2013

2014

2015