Good governance and intellectual capital: Emerging evidence from universities in Uganda

N.A. Karim Ssesanga
Uganda Management Institute

Abstract

The study explores faculty perception of intellectual capital and governance practice in public and private universities in Uganda. Furthermore, the investigation examines factors that account for faculty retention and the relationship between good governance and intellectual capital in the participating universities in Uganda. Data analysis shows that although good governance is a vital predictor of faculty attraction and retention, the key factors that attract academics to universities is pay, prospects for academic development and location. In addition, the analysis reveals that whereas private universities in Uganda need to improve on opportunities for academic growth, pay, and job security, participating public universities should focus on transparency, pay, and communication. Overall, the results show a positive relationship between good governance and intellectual capital to the effect that the higher the good governance the higher the intellectual capital attracted and retained by universities.

Key words: Good Governance, Intellectual Capital, Universities, Faculty, Academic
Growth

Introduction

Universities in developed and budding economies are knowledge-intensive organizations that contain basic operations for knowledge generation, knowledge sharing, and knowledge transfer. Consequently, their intellectual capital potential is great, but only some of them are able to transform this potential in operational intellectual capital. In particular, African universities currently function in very difficult circumstances in terms of the social, economic, and political problems that afflict the continent; and in the context of globalization, the road to future success will not be an easy one (Teferra & Altbach, 2004). Indeed, in the Ugandan context, universities are characterized by doing more with less (Ssesanga & Garrett, 2005).

At the outset, it is vital to note that there has been very little research done in the area of corporate governance in developing economies especially those in Africa (Okeahalam, 2004; Shleifer &Vishny, 1997). The concept of good governance and management has been topical for many scholars; and research in this area has focused on corporate organizations, businesses and the impact on their profitability. However, with the growing demand for education and the realization that traditional approaches of managing universities were not sufficient (Aurangzeb & Khola, 2012), concern about governance has risen in higher education institutions as well (Akma et al., 2013). Accordingly, scholars have shifted their focus towards the governance of universities.

Therefore, the ability of any university to thrive is hinged on its capacity to effectively utilize the financial, physical, and intellectual resources at its disposal. This article focuses

on intellectual capital (IC) as a vital strategic asset that denotes the specific and valuable knowledge lying in an organization (Griliches, 1990; Barrett &Beaver, 1991; Michalis in et al., 1997; Nonaka & Takeuchi, 1995; Mouritsen, 1998).

Broadly, good governance relates to political and institutional processes and outcomes that are considered necessary to achieve the goals of development. Precisely, good governance denotes the process whereby both public and private institutions guarantee human rights in the conduct of public affairs, cherish the rule of law and create an environment essentially free of abuse and corruption (IMF/OECD, 2008).

Arguably, in both developing and developed countries, the utility of higher education governance and management models will be judged in terms of how well they allow the higher education institutions to contribute to the Knowledge Society and Knowledge Economy (Reed et al., 2002).

Among the characteristics of a good university is the ability to attract and retain talented academics that have the ability and potential to contribute significantly to advances in research (Yusof, 2008). Arguably, academics are considered to be intellectual capital (IC) and the most vital and strategic resource for any university. Therefore, universities should manage their intellectual capital effectively and strategically to enable academics to transform their potential into operational intellectual capital.

The academic profession has less power in the African context than it does in the West. Besides, government involvement in university affairs is a common phenomenon in most Anglophone African universities, with heads of state holding ultimate authority to appoint vice-chancellors and other top administrators (Teferra &Altbach, 2004).

This study explores the relationship between good governance and intellectual capital in the African university context. There is no evidence to suggest that the relationship between intellectual capital and good governance has been empirically studied in universities in Africa and elsewhere. The focus has been on corporate governance and its effect on financial and physical capitals (Keenan &Aggestam, 2001).

As noted earlier, this study fills the gap in existing literature by focusing on the interplay of good governance and intellectual capital within an academic context. Academic institutions are knowledge-intensive organizations suitable for this investigation given that intellectual capital is the most vital resource for universities (Nelson & Phelps, 1966; Yusof, 2008). This argument is premised on the hypothesis that lack of good governance can lead to inability to attract and retain intellectual capital. This study surveys perceptions of faculty in two universities in Uganda, one public and one private. The study adapts similar studies conducted elsewhere (Assem et al., 2007; Nor & Akma, 2012; Akma et al., 2013) by exploring the relationships between governance and intellectual capital albeit within an African academic environment.

The purpose of this study is to examine the relationship between intellectual capital and good governance in two universities in Uganda, one public and one private. Specifically, the study seeks to achieve three objectives, notably:

- To examine academics' perception of intellectual capital and governance practice in the two universities;
- To examine the factors that attract and retain academics in university;
- To examine the relationship between intellectual capital and good governance in a university setting.

Relevant literature

The term governance is a metaphorical concept derived from the transportation industry. Using this analogy, the organization is conceptualized in terms of the process of steering a vehicle towards a set destination. In practice, the word governance does not provoke thoughts of steering but of power or authority to make things happen, even without making any physical move (Mkude, 2012). Put differently, what constitutes governance is the sum-total of tools used to make things happen in an organization. In sum, governance encompasses the structures, relationships and processes through which policies for higher education are developed, implemented and reviewed at national and institutional levels (OECD, 2008, p.68).

According to Tricker (1984, p.7) ''management is about running the business'' whereas ''governance is about seeing that it is run properly''. Good governance in a university sets the rules for the relationship between management and academics and the activities for generating, sharing, and disseminating knowledge. Viewed in this perspective, it is no longer enough for any organization to acquire human capital. Increasingly, organizations are faced with the necessity of adopting and incorporating structures and processes to effectively deploy, protect and retain the human capital acquired (Bontis, 1996; Bradley, 1997; Keenan & Aggestam, 2001).

Universities should develop intellectual capital and transform it into a competitive advantage. Intellectual capital has three main components: *human capital, structural capital and relationship capital* (Stewart, 1999; Sveiby, 2001). Human capital consists of knowledge, experience, competence, intelligence, creativity, cultural values and attitudes. Structural capital includes management relationship, organization structure, development and the relationship capital refers to marketing. Creating the knowledge management in universities is vital, just as it is for organizations in other fields (Kermally, 2002).

Intellectual capital (IC) has a significant importance for obtaining competitive advantage and for the capacity of an organization to create value (Stewart, 1999; Peltoniemi, 2006). In the past, knowledge management and intellectual capital research focused on companies; but lately, there has been increased interest in respect of public organizations, such as universities and research centres. This is mainly due to the fact that universities consider production and dissemination of knowledge as main goals (Sanchez et al., 2006).

Top university management should facilitate the work of researchers. In particular, resources should be made available to the faculty to carry out their duties, and the process should not be bogged down by bureaucracy (Azmi, 2006). Furthermore, universities should ensure that their human capital have opportunities for training and career development because career development could increase academic job satisfaction, and increase chances

for attracting and retaining talented faculty. Indeed, Bontis and Serenko (1997) maintain that in order to build employee capabilities and increase their job satisfaction, an organization should provide effective, appropriate and successful training.

Top university management should match rewards to performance to attract and retain intellectual capital, as academics may find it a worthless to give more to an organization when not much is expected in return. Undoubtedly, this has implications for the way the university is governed.

Method of data collection

This is a descriptive study and its main purpose is to explore the relationship between good governance and intellectual capital at two universities in Uganda, one public (University A), and one private (University B) by surveying faculty perceptions.

In particular, the survey addresses factors that attract intellectual capital (IC) to a university and faculty perceptions of several aspects of corporate governance (CG) at the institution. A survey questionnaire was used to collect the faculty perceptions. The survey questions were adapted from a study conducted by Akma et al. (2013) in a way which facilitated the comparison between the participating public and private universities in Uganda.

A survey questionnaire divided into five parts and a five-point Likert scale from strongly disagree to strongly agree was used for each question. Part 1 examined the importance of intellectual capital to the university and the effect of IC on its reputation and competitiveness; Part 2 required faculty to mention the factors they considered vital when joining the university, and the association between corporate governance and the attraction and retention of intellectual capital; Part 3 required faculty perceptions of the general governance practices that obtain in the university with regard to transparency, integrity, corruption, policies, and procedures; Part 4 captured other aspects of corporate governance at the university with regard to intellectual capital management, and support for research and innovation and their impact on faculty performance, and finally, Part 5 sought the demographic composition of the respondents .

In sum, the questionnaire enabled the identification of the factors considered important in attracting intellectual capital and efficiently managing the university. It also allowed identification of areas of strong governance as well as the areas where improvements needed to be introduced in order to manage the university, so that it could attract and retain intellectual capital. University A and University B were selected based on their size, and numerical strength of academics. To avoid bias, academics from the two universities were selected randomly.

Sample

It can be seen in Table 1 that a total of 155 responses from both universities A and B were elicited. Of these, 63.2% of the responding academics were from university A and 36.8% from university B. In terms of academic rank, the majority of respondents (72.2%) were at the rank of lecturer, and only 5.8% of the respondents held doctorate degrees. With regard to age, the majority of the respondents (47.0%) fell in the age bracket of 26-30 years. Of the responding

academics, associate professors and professors constituted only 2.5%, which suggests that the participating universities, like other universities in Uganda, had few academics at these ranks.

Table 1: Descriptive statistics for demographic data from responding academics

	University A	University B
	Sample (N=98)	Samples (N=57)
Sex		
Male	76	41
Female	22	16
Age		
Below 25 years old	02	0
26-30 years old	41	32
31-35 years old	19	12
36-40 years old	13	06
41-45 years old	07	04
46-50 years old	14	1
Above 50 years old	2	2
Academic Rank		
Assistant Lecturer	09	16
Lecturer	747171	3834
Senior Lecturer	12	02
Associate Professor	02	01
Professor	01	0
Academic Qualification		
Professional Degree	0	0
Bachelor Degree	14	16
Master's Degree	77	39
Doctoral Degree	7	2

Data Quality Control

The validity and reliability of the questionnaires were ensured through tests. A reliability test was conducted to measure the internal consistency between the items in the questionnaires. Cronbach's alpha values were computed and the results are shown in Table 2.

Table 2: Cronbach Alpha Values for Questionnaire items

Variable	Number of items	Alpha Value
	4	0.983
	5	0.963
	15	0.989
	11	0.976

Source: Reliability Test

It can be seen in Table 2 that the computed alpha values were higher than 0.60 threshold. Thus, the study instrument was considered reliable. Indeed, Odiya (2009:197) maintains that any computed alpha values surpassing the 0.60 threshold signify that the study instrument was reliable. Validity was computed using Content Validity Index (CVI) which was established to be 0.76.

Data Analysis

All the variables in the research, as laid down in the questionnaire, were measured on a nominal scale. All the returned questionnaires were numbered, edited and cleaned to ensure that the required information was captured and not repeated. Data were analyzed at Univariate and Bivariate levels. Univariate analysis involved use of frequency/ percentages and then mean and standard deviation. The demographic composition of the respondents was analyzed using frequency percentage distribution as use of descriptive statistics would not give an accurate description of the characteristics. Descriptive statistics using mean and standard deviation were used to analyze the responses to each of the variables investigated under good governance and intellectual capital. Bivariate analysis involved use of Pearson's correlation matrix to establish the relationship between good governance and intellectual capital. Pearson's matrix was selected because the variables were numerical.

The results in Table 3 show that the 98 responding academics in University A agreed that the success of the university depends on the contribution from academics with the highest mean value of 4.40, followed by the notion that the university's reputation and improvement relies on its academics with a mean value of 4.32. The findings are consistent with Yusof's (2008) assertion that IC is the leading resource for universities. The findings too would seem to concur with the notion that the university's reputation hinges mainly on the input of faculty. Indeed, in Uganda, as elsewhere, the quality of a good tertiary institution is determined by the quality and dedication of the academic staff (Ssesanga, 2003; Kasozi, 2009).

Furthermore, the results show that respondents in University A agree that existing academics attract new ones, and the competitive position of the university improves with the increase of its IC with a mean value of 4.30 and 4.22 respectively. Therefore, responding academics in University A, which is public, agree that the quality and calibre of existing scholars was indeed a key factor and consideration in attracting new academics to the university. The study findings are congruent with Assem et al. (2008) who maintained in their study that new academics were attracted to a university by the quality and calibre of existing scholars.

Table 3: Respondents' perception of the importance of IC to University A

Item	N	Mean	Std. Dev
The success of University depends on input of academics	98	4.40	.822
University's reputation and progress depends on its academics	98	4.32	.832
University recognizes its existing academics attract new ones	98	4.30	.802
University's competitiveness improves with the increase of its intellectual capital	98	4.22	.880

Source: Primary Data

With regard to the importance of IC to University B, respondents as shown in Table 4 agreed that the success of a university depends on input of academics, and that competitiveness of the university improves with the increase of its intellectual capital with mean values of 4.61 and 4.40 respectively.

Table 4: Respondents' perception of the importance of IC to University B

Item	N	Mean	Std. Dev
The success of University depends on input of academics	57	4.37	.858
University's competitiveness improves with the increase of its intellectual capital	57	4.16	1.031
University's reputation and progress depends on its academics	57	4.12	.965
University recognizes its existing academics attract new ones	57	3.98	.876

Source: Primary Data

The results suggest that in both public and private universities in Uganda, academics agree that their input is critical for the success of the university, and its competitiveness improves with the increase of IC, which further confirm Yusof's (2008) and Kasozi's (2009) findings in Malaysia and Uganda respectively.

Secondly, the analysis focused on the factors that responding academics considered vital in joining a university. It can be seen in Table 5 the most important factor academics considered in joining University A was pay rated at a mean of 4.61. In addition, governance at the university and location of the university were the second and third considered factors rated at a mean of 4.40 each. Reputation of the university, and the belief that the university would add value to academics' reputation were considered the least important factors with mean values of 4.23 and 4.15 respectively. Therefore, the results suggest that pay and governance at University A were the leading factors that influenced academics' decision to join the university.

Table 5: Respondents perception of salient factors considered in joining University A

Item	N	Mean	Std. Dev
I joined university because it pays better	98	4.61	.755
Governance at university is a key factor in attracting new academics	98	4.40	.714
I joined university because of its location	98	4.40	1.072
I joined university because of its reputation	98	4.23	.950
I joined university because I believe it will add value to my academic advancement.	98	4.15	.923

Source: Primary Data

With regard to University B, responding faculty considered pay and location of the university as the most important factors that influenced their decision to join the university with mean values of 4.46 and 4.33 respectively as shown in Table 6.

Table 6: Respondents' perception of salient factors considered in joining university B

Item	N	Mean	Std. Dev
I joined university because it pays better	57	4.46	.927
I joined university because of its location	57	4.33	1.139
I joined university because of its reputation	57	4.21	.959
Governance at university is a key factor in attracting new academics	57	4.19	.875
I joined university because I believe it will add value to my academic advancement.	57	4.09	.987

Source: Primary Data

Academics in University B considered governance and the belief that the university would add value to their academic advancement as the least important factors rated at mean values of 4.19 and 4.09 respectively. While responding academics in University A considered pay and governance as the leading factors that influenced their decision to join the university as shown in Table 5, faculty in University B agreed that pay and location were the most important factors. Considering that the physical structure of most universities in Uganda is limited to few buildings (Kasozi, 2009), and given that most private universities in Uganda are located in rural or peri-urban areas in the countryside where attractions of urban areas are visibly absent, it would seem sensible to argue that faculty, particularly in private universities, in Uganda perceived location as a critical factor that influenced them to join the particular university. As opposed to mean levels in University A, the relatively low means of 4.21 and 4.09 on reputation of the university, and the belief that university would add value to faculty academic advancement respectively in University B, seem to concur with the assertion that all private universities in Uganda were established after 1988, and thus, lack a history and the prestige attached to past achievements (Kasozi, 2009).

Therefore, the evidence in Tables 5 and 6 suggests that pay is the most important factor that academics consider in joining both public and private universities, which supports the assertion by Ssesanga (2003) that pay is a leading predictor of academic job dissatisfaction in Uganda. Additionally, governance and location are the second and third most important factors that influence academics' decisions to join a university in Uganda. The findings are inconsistent with Akma et al. (2013) who found pay as the least likely factor to influence academics' decision to join a university in Malaysia, suggesting that pay is an important factor to academics in under-resourced and budding universities in developing countries such as Uganda where academics operate under adverse and declining circumstances (Kajubi, 1992; Saint, 1992; Ssesanga, 2003) and most of the institutions of higher learning operate deficit budgets (Kasozi, 2009).

The third aspect of the analysis considered respondents' perception of governance and the IC management at University A. It can be seen in Table 7 that a big number of academics agreed that there were guidelines that spelt out their responsibilities, and that the university was a well governed institution rated at a mean of 4.06 and 4.05 respectively. Additionally, many respondents rated at a mean of 3.98 perceived that their work supported the mission and

vision of the university, and that the university emphasized collaboration at a mean of 3.82. This suggests that the University Council had, among other things, identified and focused on the key competencies and specialization of the university.

Nonetheless, there were areas of concern with respect to good governance practices in the university that merit scholarly attention. In particular, though responding academics agreed that the institution was generally well governed, and their rights were well protected at a mean of 3.07, it was worrying to note that many respondents, at a mean of 3.87, believed that there was potential for corruption at the university. This finding concurs with Kasozi (2009) who maintained that many institutional leaders in Uganda were unwilling to reveal income and expenditure statements, and firmly believed that the financial records of their universities were a confidential matter. Thus, based on this evidence coming from the survey, it is plausible to argue that there is potential for corruption in some universities in Uganda. This may explain why only few respondents agreed that the university was a transparent organization, and encouraged them to take part in decision-making at low means of 2.96 and 2.06 respectively as shown in Table 7. Equally important, it can be seen in Table 7 that there were very few respondents who agreed that university policies and procedures were the same for all academics (mean of 2.81); and accurate and relevant information in university is easy to access (mean of 2.71). This suggests that as perceived by respondents, there was restricted access to information in the university which echoed the need to improve governance practices in the university.

Table 7: Respondents' perceptions of University A general governance practices

	N	Mean	Std. Dev
There are guidelines to clarify the responsibility of all academics.	98	4.06	.883
University is a well governed institution.	98	4.05	1.161
Our work supports the mission and vision of University	98	3.98	1.339
There is a potential for corruption at the university	98	3.87	1.281
University emphasizes inter-organizational relationships.	98	3.82	1.125
University's policies and procedures are clearly defined for all academics.	98	3.09	1.465
My rights at University are well-protected.	98	3.07	1.115
University emphasizes collaboration among colleagues.	98	3.01	1.214
University is a transparent organization.	98	2.96	1.166
University has a proper system for dissemination of information.	98	2.90	1.351
University's policies and procedures are the same for all academics.	98	2.81	1.265
Accurate and relevant information in University is easy to access.	98	2.70	1.105
Academics are encouraged to give suggestions on how to improve the operations within University.	98	2.54	1.415
University takes the necessary corrective action in case of wrongful behaviour committed by its academics.	98	2.37	1.319
Academics are encouraged to take part in the decision making process.	98	2.06	1.346

Source: Primary data

Regarding respondents' perceptions of governance and management of IC at University B, the data in Table 8 reveals that very many respondents agreed that the university emphasizes inter-organizational relationships, and collaboration among colleagues, at a mean of 4.46 and 4.25 respectively. The findings could be explained by the fact that private universities in Uganda emphasize collaboration and have partners abroad who contribute to their human and material resource.

While many respondents in University A agreed that the university was well governed, with clear guidelines and that their work supported the mission and vision of the university, many respondents in University B perceived that the university had policies and procedures that were clearly defined to faculty, and much emphasis was put on inter-organizational and interpersonal collaboration. Partly, this explained the low staffing levels in private universities in Uganda where there is likelihood for academics to understand policies and procedures easily, as opposed to fairly large numbers of academics and bureaucratic tendencies in public universities.

Table 8: Respondents perceptions of University B general governance practices

Statements on governance practices	N	Mean	Std. Dev
1. University emphasizes inter-organizational relationships.	57	4.46	.927
2. University emphasizes collaboration among colleagues.	57	4.25	.931
3. University's policies and procedures are clearly defined for all academics.	57	4.07	.979
4. University takes the necessary corrective action in case of wrongful behavior committed by its academics.	57	4.05	1.007
5. My rights at University are well-protected.	57	4.05	.915
6. There are guidelines to clarify the responsibility of all academics.	57	4.02	.876
7. Academics are encouraged to give suggestions on how to improve the operations within University.	57	3.88	1.070
8. Accurate and relevant information in University is easy to access.	57	3.81	.934
9. Our work supports the mission and vision of University	57	3.79	1.013
10. Academics are encouraged to take part in the decision making process.	57	3.70	1.117
11. There is a potential for corruption at the university	57	3.67	1.354
12. University is a transparent organization.	57	3.21	1.423
13. University has a proper system for dissemination of information.	57	3.16	1.251
14. University is a well governed institution.	57	2.70	1.669
15. University's policies and procedures are the same for all academics.	57	2.23	1.268

Source: Primary Data

Furthermore, it is important to note that very few responding academics (a mean of 2.70) in University B agreed that the university was a well governed and transparent institution (Mean of 3.21). The data emerging from the survey suggest that unlike their counterparts in public universities, heads of private universities in Uganda wield more influence in decision making and policy direction.

It can be seen in Table 9 that many respondents in University A (with a Mean of 4.00+) agreed on all the four items that there were still barriers to access corporate information.

Table 9: Faculty perceptions of disclosure and transparency at University A

Item	N	Mean	Std. Dev
1 University should be more transparent in evaluation system.	98	4.61	.755
2 University should be more transparent in financial allocation.	98	4.21	.959
3 University should be more transparent in imposing new rulings.	98	4.05	.883
4 University should be more transparent in provision for facilities	98	4.04	.882

Source: Primary Data

In particular, respondents agreed that the university should be more transparent in evaluation systems, financial allocation as well as provision for facilities. The study findings are congruent with the plight of most African universities, particularly in the sub Saharan region. For instance, the rapid expansion of public university education in Kenya in the midst of limited financial resources has led to deterioration of public universities in quality of teaching and research, library facilities, halls of residence and student and staff representation (Amutabi, 2002; Oketch, 2004). In fact, Kenyan public universities have lost their former glory due to low motivation of students and staff and poor infrastructure (Ogom, 2007).

Data collected with regard to transparency and disclosure in University B as shown in Table 10 reveals a slightly different picture in private universities in Uganda.

Table 10: Faculty perceptions of disclosure and transparency at University B

Items	N	Mean	Std. Dev
1 University should be more transparent in evaluation system.	57	3.81	.933
2 University should be more transparent in financial allocation.	57	3.79	.1.011
3 University should be more transparent in imposing new rulings.	57	3.67	1.124
4 University should be more transparent in provision for facilities	57	3.21	1.423

Source: Primary Data

Responding academics (with a Mean of less than 4.00) in the private university agreed that they had a better evaluation system, and were more transparent in financial allocation as well as provision for facilities as opposed to faculty in the public university. This finding could be attributed to the less bureaucracy, and relatively small size of private universities in Uganda in terms infrastructure. In fact, some of the new private universities in Uganda have one or two building structures with low staffing levels (Kasozi, 2009).

With regard to the efficiency of IC management in University A, Table 11 shows that many respondents strongly agreed that if their work was appreciated, their performance would improve, and everybody would take credit for his or her work with Mean values of 4.74 and 4.53 respectively. The results are insightful to university leaders in Uganda, notably, to appreciate the work of academics as this would improve their performance. This finding is consistent with available evidence among academics in Uganda to the effect that the level of faculty motivation has a significant effect on their productivity (Bameka, 1996; Ssesanga & Garrett, 2005). Furthermore, leaders in University A should maintain the spirit of ensuring that everyone takes credit for his or her work.

Table 11: Faculty perception of intellectual management in University A

Items	N	Mean	Std. Dev
1. If my work is appreciated, my performance improves.	98	4.74	.647
2. At University, everyone takes credit for his/her own work.	98	4.53	.763
3. University has a fair reward system.	98	3.63	1.380
4. University encourages my research work.	98	3.57	1.276
5. University has the necessary tools to evaluate my competency.	98	2.86	1.464
6. University management system facilitates the work of academics.	98	2.73	1.404
7. My intellectual (knowledge, skills and competencies)contributions improved at University.	98	2.69	1.380
8. University encourages creativity and innovation.	98	2.55	1.168
9. University rewards new ideas and outstanding output.	98	2.23	1.267
10. I am motivated to do research because other faculty members do.	98	2.01	1.366
11. University provides the necessary resources to achieve my research work.	98	1.97	1.231

Source: Primary Data

Nonetheless, there were areas of concern that merit attention and deserve improvement. In particular, in terms of research, University A should improve in areas such as encouraging faculty creativity and innovation (Mean of 2.55), reward of new ideas and outstanding output (Mean of 2.23), and provision of necessary resources to academics to do research work at a (Mean of 1.97). These data are not surprising. Globally, since the 1990s, academics have faced a number of problems, changes and status transformations (Altbach, 2002; Askling 2001, Shattock, 2004; Honan and Teferra, 2001; Enders, 2001). Academics have suffered reductions in income, deterioration of working conditions and prestige (Altbach, 2002). Precisely, participating universities, like others in Uganda, are teaching-intensive institutions where teaching is the primary activity (Ssesanga and Garrett, 2005). Besides, most lecturers in universities in Uganda just manage to cover their teaching responsibilities and do not have the time or resources to do research and produce knowledge (Kasozi, 2009).

Academic perception of intellectual management in University B is presented in Table 12. Strikingly, academics in University B (Mean of 4.65) agreed that their intellectual potential improved at the university suggesting that they found their stay at the institution as, among others, a skills-and-competence-enriching experience. This is explained by the fact that academics in most private universities in Uganda are relatively new in the profession and excited about their new experience.

Furthermore, there are areas of convergence with regard to academic perception of intellectual management in University A and University B that should be sustained and improved respectively.

Table 12: Faculty perception of intellectual management in University B

Items	N	Mean	Std. Dev
My intellectual (knowledge, skills and competencies)contributions improved at University.	57	4.65	.767
If my work is appreciated, my performance improves.	57	4.35	.954
University encourages my research work.	57	3.49	1.428
At University, everyone takes credit for his/her own work.	57	3.35	1.541
University has the necessary tools to evaluate my competence.	57	2.77	1.376
I am motivated to do research because other faculty members do.	57	2.72	1.373
University has a fair reward system.	57	2.56	1.464
University encourages creativity and innovation.	57	2.44	1.376
University rewards new ideas and outstanding output.	57	2.39	1.485
University management system facilitates the work of academics.	57	2.37	1.345
University provides the necessary resources to achieve my research work.	57	1.86	1.260

Source: Primary Data

It can be observed in Tables 11 and 12 that responding academics in both institutions agree that their performance improves with appreciation of their work. In addition, both institutions encourage the research work of their faculty, as well as everyone taking credit for his or her own work. Furthermore, academics in University A and University B agreed that more should be done to encourage creativity and innovation, facilitate the work of academics, and provide necessary resources for faculty to achieve their research work. Indeed, academics in Uganda are dissatisfied with facilities and funds for research (Tizikara, 1998; Ssesanga & Garrett, 2005). These data have insightful information for leaders in University A and University B with regard to research support.

The relationship between good governance and attraction and retention of intellectual capital was measured using Pearson's correlation coefficient. The results are shown in Table 13.

Table 13: Correlation between good governance and intellectual capital

		Good Governance	Intellectual Capital
Good governance	Pearson Correlation	1	.860**
	Sig. (2-tailed)		.000
	N	155	155
Intellectual Capital	Pearson Correlation	.860**	1
	Sig. (2-tailed)	.000	
	N	155	155

**. Correlation is significant at the 0.01 level (2-tailed).

The correlation coefficient was 0.860 and its respective p-value was less than 5% significance level.

It can be seen in Table 13 that there is a significant relationship between good governance and retention of intellectual capital in the participating universities in Uganda. These data render support to studies done elsewhere (Assem et al., 2007; Nor& Akma, 2012; Akma et al., 2013).

Conclusions, implications and recommendations

The current investigation was undertaken to explore academic perception of intellectual capital (IC) in public and private universities in Uganda. Furthermore, the study explored factors that account for faculty attraction and retention, and the relationship between good governance and intellectual capital in the participating universities.

Data analysis shows that although good governance is a vital predictor of faculty attraction and retention, the key factors that attract faculty to participating universities was pay and the prospect for academic development. In addition, the analysis reveals that whereas the private universities in Uganda need to improve on opportunities for academic growth, pay, and job security, the participating public university should focus on transparency, pay and communication.

Accordingly, for universities in Uganda to attract and retain intellectual capital, it is recommended that they should improve their governance practices considering that the higher the good governance, the higher the intellectual capital (IC) that would be retained by the university. It is insightful for university leaders in Uganda to note that intellectual capital is critical for the success of any university. Indeed, Assem et al. (2007) contend that if financial and physical assets can be lost because of mismanagement, so can intellectual capital. Besides, academics may find it a worthless experience to give more to an organization when not much is expected in return.

Responding academics in both universities agreed that there was need to provide the necessary resources for research, which renders support to Kasozi's (2009) finding that many of Uganda's universities lack capacity to produce ideas through research, debate and other forms of investigation. Looking ahead, it seems safe to predict that for universities in Uganda to participate in global higher knowledge production and supply, they should invest strategically to develop their research capacity.

In terms of research agenda, this investigation explored two universities in Uganda. Further research should focus on other universities, and the corporate world in the developing world particularly sub-Saharan Africa.

Overall, the results show a positive relationship between good governance and intellectual capital to the effect that the higher the good governance the higher the intellectual capital attracted and retained by universities.

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