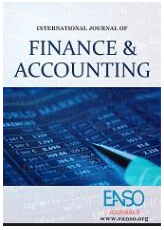

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Original Article

The impact of Responsibility Accounting on Cost Efficiency. A Case of Reformed Church in Zimbabwe Period 2009-2014

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ABSTRACT

The study is set out to investigate the impact of responsibility accounting on cost efficiency at Reformed Church in Zimbabwe (R.C.Z) in Masvingo Province. The study was largely prompted by the fact that despite having been functional, the Organisation was still facing a lot of challenges characterised by abuse of resources such as misappropriation of funds, high labour turnover and low profitability as a result of high running costs. The study used Pragmatic approach and paradigm in its methodology. The target population for the study comprised of top, middle and lower-level management and a sample of 45 employees from the four departments in the province was used. Stratified random sampling (probability sampling) was used. It is observed that some departments were operating without a Responsibility accounting policy in place and also there was no communication of Responsibility accounting role to various employees. In addition it is observed that inadequate ‘training programmes of employees, failure to consider lower-level management in budgetary formation and Inter departmental conflicts are major challenges bedevilling effective implementation of responsibility accounting. The study concludes that responsibility accounting plays a critical role in enhancing cost efficiency within the organisation thus responsibility accounting has got a positive influence on cost efficiency. The study recommends that a uniform responsibility accounting policy be formulated across all departments’ effective supervision and control over each cost centre be implemented and adequate training programmes to employees be provided.

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INTRODUCTION

Globally for the past years most organizations have experienced lack of responsibility and accountability from their managers especially in large entities hence costs in their respective departments have been seen increasing without being controlled and as a result profits got reduced. In light of the above, Jun Lin and Zengbiao (2012) introduced the responsibility cost control system installed at Han Dan Iron and Steel Company in the People's Republic of China following massive high production spending, low productivity and profitability experienced by the company. A research by Stern (2010) CEO of Stewart and company developer of EVA indicated that dissatisfaction over losses made at Orient industry limited precipitated the need for responsibility accounting. Considering the Zimbabwean context several banks collapse and other financial institutions have been witnessed. The 2003 and 2004 scandal revealed the collapse of the Royal and barbican banks. Several factors explain why these financial institutions went into such crisis. Among these factors is lack of responsibility, accountability by the management and Inadequate regulatory framework for the non-bank financial institutions such as the Zimbabwe Stock Exchange, Stock Brokers, Insurance Companies and Pension (Mandizvidza, 2011). A research by Nyakuwanika et al (2012) indicated that despite having been professionalized in its functions, the Ministry of Health and child care was still facing a lot of challenges. Challenges rocked the Ministry were that in 2003 most of the administrative duties within the Ministry of Health and Child Welfare were done by the health services administrators (HSAs) and most of the functions were centralized. The HSAs were responsible for human resource issues, health promotional issues, budgeting and budgetary control, financial management and accounting systems.

It is against this background that the study takes a closer look on the case of Reformed Church in Zimbabwe (RCZ). The Reformed Church in Zimbabwe has 45 congregations, with 50 ministers and 11 evangelists who serve some 85,000 members and regular attendees. The churches meet every two years in a synod. They have adopted the Heidelberg Catechism, Belgic Confession, and the Canons of Dort as their doctrinal standards. The Reformed Church in Zimbabwe is a member of the World Council of Churches (W.C.C), the Zimbabwe Council of Churches, and various alliances of Reformed Churches. In addition to its various church activities, the church has a special concern for its school for the deaf and dumb at Morgenster, and the Margaretha Hugo School for the blind. The RCZ also owns a number of secondary and primary schools, a teacher-training college and the Murray Theological College in Masvingo, as well as two hospitals and several clinics. Moreso to note the organization also owns a restaurant located in the city of Masvingo

Its departments comprises of both profit and cost centres. The study seeks to establish whether responsibility accounting forms or plays an integral part to bring about cost efficiency within RCZ organization. According to the audited report of 2012, it has been noted that for the past years most RCZ departments have failed to meet their budgets in their respective departments and the budgetary processing system is still centralized, the report also highlighted that costs

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from these departments increased rapidly and become uncontrollable and also abuse of resources such as misappropriation of funds is rampant to an extend that workers from various departments ended up not being paid their salaries in time and as a result of this, the organization experienced low profitability. Thus, it is in this notion that the researcher carries out a study on the impact of responsibility accounting on cost efficiency in RCZ.

PROBLEM STATEMENT

For the past years Reformed Church in Zimbabwe has experienced an extensive reduction in profitability in its profit centres. The researcher noted that for the past years most RCZ departments in Zimbabwe have failed to meet their budgets in their respective departments (Auditors Report of 2012). Also, it has been noted that costs from these departments have been increasing rapidly and become uncontrollable and also abuse of resources such as misappropriation of funds is rampant to an extend that workers from various departments ended up not being paid their salaries in time. Failure to remit salaries in time resulted in high labour turnover in search of greener pastures. Following these challenges being faced by the organisation, it is in this regard that the researcher carries out a research to see whether responsibility accounting has an extensive effect on cost efficiency of the organization. The following table shows one of RCZ department's costs and profits obtained.

Table 1: Analysis of profits and costs obtained at Pamushana High

Year	2010	2011	2012	2013	2014
Costs	1100720	1176306.82	1181758.97	149100.28	1497367.37
Profit	51060	(135530.26)	53630.72	8966.40	8026.70

Source; Auditors Report of 2010 to 2014

LITERATURE REVIEW

Conceptual Framework

Responsibility accounting as defined by CIMA (2002), is a system of accounting that segregates revenue and costs into areas of personal responsibility in order to assess the performance attained by persons to whom authority has been assigned. Responsibility accounting can also be referred to as activity accounting. It is used to measure evaluate and monitor decentralization process. CIMA (2002) continue to argue that responsibility accounting aims to provide accounting reports. This enables every manager to be aware of all the items, which are within his area of authority. Hence, as a system of accounting it distinguishes controllable and uncontrollable cost. With responsibility accounting, it is possible to identify or recognize decision centre within an organization for the purpose of tracing costs to the individual managers who are charged with the responsibility of making decisions about costs and revenue in an organization. Within the concept of divisional performance evaluation, there are three types of responsibility canters which can also be referred to as responsibility accounting units, these are cost centre, profit centre and investment centre CIMA (2002). Supporting the above ideology, the Institute of Cost and Works Accountants of India (ICWAI) defined responsibility accounting as a system of management accounting" under which accountability is recognized according to the responsibility entrusted to various levels of Management and management information and reporting structure introduced to give sufficient feedback in terms of the entrusted responsibility. The basic idea is that large, expanded organizations are not easy, if not impossible to manage as a single piece, thus they must be decentralized or estranged into controllable parts. These parts or sections are referred to as responsibility canters that include (I) revenue canters, (II) cost centres, (III) profit canters and (IV) investment canters. This approach allows responsibility to be dispensed to the segment managers that have the greatest amount of authority over the key elements to be managed.

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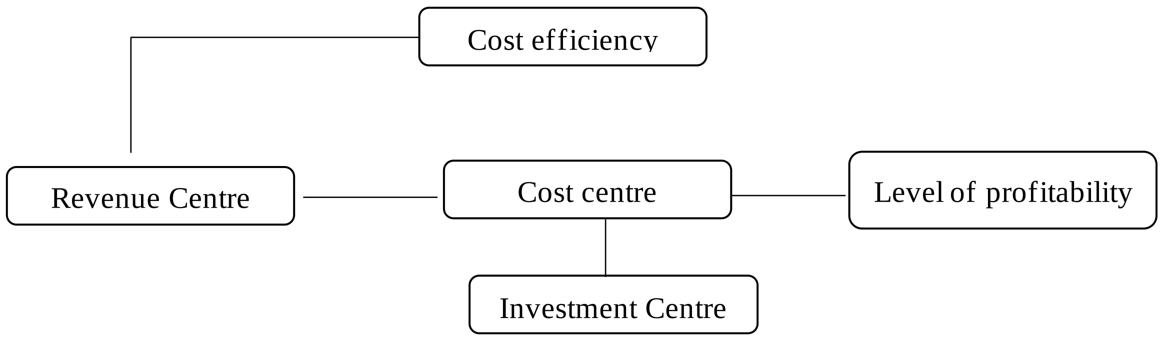
Figure 1: Conceptual Framework Diagram



Theoretical Framework

According to Mohammad (2014) in presenting the theory on responsibility accounting, indicated that the dimension of profit in a profit centre type or responsibility accounting is also complex by the problem of transfer prices. The inference of the transport worth is that for the promotion division will be a foundation of revenue, whereas for the trade division it is an element of cost.

The theory suggests that an investment centre differs from a profit centre in that as investment centre is evaluated on the basis of the rate of return earned on the assets invested in the piece where as a profit centre is evaluated on the basis of overload revenue over expenses for the period. The theory brings in the issue of transfer prices within centres in an organization. The term transfer pricing has been defined variously by different authors. Okoye (2017), in his own view, defines transfer price as "a price used to measure the value of goods or services furnished by one division to another division within a company". The general concern of transfer pricing is all about the impact on divisional performance, impact on firm- wide profits and impact on divisional autonomy. Performance evaluation of different centres are not universal or standardized that is, investment centre is evaluated on the basis of the rate of return earned on the assets invested in the piece whereas a profit centre is evaluated on the basis of overload revenue over expenses for the period thus comparative analysis of these centres will become difficult hence poor decision making will result

Empirical Framework

Jun Lin and Zengbiao (2002) introduced the responsibility cost control system installed at Han Dan Iron and Steel Company in the People's Republic of China. The Company adopted a series of management accounting techniques or procedures in its cost control system, including target costing, responsibility accounting, standard costing, flexible budgeting, internal transfer pricing, behaviour motivation, performance evaluation, variance analysis, and so on. In particular, the system had integrated responsibility accounting and cost control by introducing market mechanisms to substantially reduce production costs and raise profitability. The successful experiment revealed that the responsibility cost control system is an effective tool for cost control under the changing Chinese business environment. The findings of the study (Sarkar and Yeshmin, 2005) were- "33% organizations followed four responsibility centres where 30% followed three responsibility centres. The most common accounting tool used to evaluate performance was the use of budgets. Managers in revenue centres were also evaluated using contribution income statements. Findings on responsibility cost control system installed at Han Dan Company in the early 1990s has yielded satisfactory outcomes. Managers and workers participating in the interviews agreed overwhelmingly that the responsibility cost control system has contributed positively to a significant reduction in production spending or product costs, and greatly enhanced the Company's productivity and profitability.

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Other study by Nyakuwanika et al. (2012), sets out to come up with strategies to ensure effective responsibility accounting system in the Ministry of Health and Child Welfare (MOHCW) in Mashonaland West Province of Zimbabwe. The study was largely prompted by the fact that despite having been professionalized in its functions, the Ministry was still facing many challenges. The target population for the study was the management and a sample of 70 employees from the fourteen stations in the province was used. Systematic sampling (probability sampling) and purposive or judgmental sampling (non-probability sampling) were used. It was observed that departments were operating with mandated budgets and that planning, and control were not integrated. In addition it was also observed that performance reports were being used to fix blame on management and that performance reports were not being distributed to sectional managers on a regular basis. It has been recommended that when coming up with budgets for the province the leadership should allow station managers to participate in the budget formulation and their suggestions should be taken on board and Incorporated in the master budget.

A study by Stern (2010) CEO of Stewart and company developer of EVA studied operations of Orient Industries Ltd. The company operates three units: (i) Toys, (ii) Garments and (iii) Sweets. These products are sold all over the country. For planning and control, the company has divided its operations into three regions; (i) Karachi, (ii) Lahore and (iii) Peshawar In a recent meeting, the board expressed its dissatisfaction over results for year ended December 31, 2009. It was observed that the Toys Unit has sustained an operating loss which would increase when necessary adjustments were made for Rs.820, 000 shown as un-allocated expenses. The board asked for a report on each product and on each region. Karamat Raja, the management accountant, was asked to prepare necessary working papers containing income statements both.

METHODOLOGY

A hybrid research design was used in the study. Case study approach was employed in order to inquire and gather empirical evidence about selected key issues of significant interest. The researchers used open ended and closed questionnaires and interview research guides to evaluate the reliability to investors of the use of fair values presented in financial statements when making investment decisions. The target population for the study comprised of top, middle and lower-level management and a sample of 45 employees from the four departments in the province was used. Stratified random sampling (probability sampling) was used to select the lower, middle and top-level management data was collected using interview guides and questionnaires and was coded and recorded on a SPSS spread sheet for further analysis. Data analysis for qualitative data was done using major themes and sub-themes that were obtained from the data collected. Inductive and deductive data analysis were used to interpret the data. After analysis, data was presented in the form of tables.

RESULTS

Awareness of respondents on Responsibility Accounting Role

Findings revealed that 88% agreed, 4% not sure and 8% disagreed on the awareness of the responsibility accounting role. In conclusion this shows that there is agreement over the awareness of the responsibility accounting role. Interviews further reviewed that respondents had a good understanding of the responsibility accounting role following explanations of what responsibility accounting is by the interviewer. This was supported by okey (2017) who asserts that a response rate above 50% is adequate for research.

Organisations Responsibility Accounting Policy

The study explored whether the R.C.Z organisation has a responsibility accounting policy in place. Findings revealed that 20% agreed, 24% not sure, 56% disagreed the

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availability of responsibility accounting policy in place. From these findings it shows that 80% disagreed whilst 20 % agreed on the availability of a responsibility policy in place in conclusion this shows that there is disagreement over the availability and use of responsibility accounting policy within departments. This also depicts that some departments of the organisation have the policy in place whilst others do not have at all. In-depth interviews revealed that policy document that clearly spells out responsibility accounting is not yet available, but the organisation is the process of crafting one. However interviewees have pointed clearly out that currently the organisation is operating with general company policy which does not specifically deals with responsibility accounting so in other words respondents have highlighted that there is no responsibility accounting policy in place

Responsibility Accounting Role is communicated to Organisational Members

The study explored whether responsibility accounting role was being communicated to organisational members. The major aim was to establish whether the role of responsibility accounting was being continuously communicated to organisational members.

Findings revealed that 24% agreed, 32% not sure, 36% disagreed and 8% strongly disagree on responsibility accounting role being communicated to all organisational members. In conclusion this shows that there is disagreement over the communication of the responsibility accounting role to all organisational members. Through in-depth interviews it was noted that the responsibility accounting role is not communicated well though some departments communicated through monthly meetings, internal mail systems among communication methods. The next subsection explores the actual role of responsibility accounting on cost efficiency within the organization.

Role of Responsibility Accounting within the RCZ organization

Table 2 below demonstrates the findings relating to the role of Responsibility Accounting within R C Z.

Table 2: The role of Responsibility Accounting within R C Z.

		SA	A	NS	D	SD	Total
Segregates revenue and costs into areas of personal responsibility in order to assess the performance attained by persons to whom authority has been assigned	f	10	8	4	1	2	25
	%	40	32	16	4	8	100
Enhance accountability according to the responsibility entrusted to various levels of management and management information and reporting structure introduced to give sufficient feedback in terms of the entrusted responsibility	f	6	15	0	3	1	25
	%	24	60	0	12	4%	10
Ensuring that the organization becomes decentralized and become easily managed and controlled	f	10	9	2	4	0	25
	%	40	36	8	16	0	100
Ensuring that every manager is made responsible for the activities which are under his control and his actions are measured by the revenue results achieved by him	f	8	12	2	3	0	25
	%	32	48	8	12	0	100
Ensures that costs are tracked down to individual managers and also assess controllable and non-controllable factors.	f	6	4	5	6	4	25
	%	24	16	20	24	16	100
Encouraging transparency and accountability in the organization	f	15	8	0	2	0	25
	%	60	32	0	8	0	100%
Ensuring that costs are traced to either the individual who has the best knowledge about why the cost rose or the activity that caused the cost.	f	6	7	0	7	5	25
	%	24	28	0	28	20	100

Key: SA = Strongly agree, A = agree, NS = not sure, D = disagree, SD = strongly disagree

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40% strongly agreed, 32% agreed, 16%, not sure, 4% disagree and 8% strongly disagreed. 72% agreed whilst 18% disagreed to that segregation of revenue and costs into areas of personal responsibility in order to assess the performance attained by persons to whom authority has been assigned is a major role of Responsibility Accounting .In conclusion this shows that there is agreement over segregation of revenue and costs into areas of personal responsibility in order to assess the performance attained by persons to whom authority has been assigned as the major role of Responsibility Accounting. These findings are supported by CIMA (2002) who pinpointed also this ideology pointing out that revenues and costs should be segregated into areas of responsibility so as to assess individual performance.

Findings reveals that 6/25 (24%) strongly agreed, 15/25 (60%) agreed, 0/25 (0%), not sure, 3/25 (12%) disagree and 1/25 (4%) strongly disagreed. 21/25 (84%) agreed whilst 4/25 (16%) disagreed to that enhancing accountability according to the responsibility entrusted to various levels of management and management information and reporting structure introduced to give sufficient feedback in terms of the entrusted responsibility, is a necessity to the organization to bring about cost efficiency. In conclusion this shows that there is agreement over the need for enhancing accountability according to the responsibility entrusted to various levels of management, management information and reporting structure. These findings are in support of the Institute of Cost and Works Accountants of India (ICWAI, 2022).

10/25 (40%) strongly agreed, 9/25 (36%) agreed, 2/25 (8%), not sure, 4/25 (16%) disagree and 0/25 (0%) strongly disagreed. Thus 19/25 (76%) agreed whilst 6/25 (24%) disagreed to the fact that the organization is decentralized so that it becomes easily managed and controlled. These findings are further confirmed by Mc Nar and Car (1994) who pinpointed that large, diversified organizations are difficult, if not impossible to manage as a single segment, and thus they must be decentralized or separated into manageable parts. The analysis shows that there is agreement over ensuring that the organization becomes decentralized and become easily managed and controlled so as to cut costs within the organization.

8/25 (32%) strongly agreed, 12/25 (48%) agreed, 2/25 (8%), not sure, 3/25 (12%) disagree and 0/25 (0%) strongly disagreed. 20/25 (80%) agreed whilst 5/25 (20%) disagreed to that every manager should be made responsible for the activities which are under his control and his actions should be measured by the revenue results achieved by him. In conclusion this shows that there is agreement over the need for ensuring that every manager is made responsible for the activities which are under his control and his actions measured by the revenue results achieved by him. This ideology is in support of (Fowzia 2009, Iyenger 2000).

6/25 (24%) strongly agreed, 4/25 (16%) agreed, 5/25 (20%), not sure, 6/25 (24%) disagree and 4/25 (16%) strongly disagreed. 10/25 (40%) agreed whilst 15/25 (60%) disagreed to the fact that costs should be traced down to individual managers and also assess controllable and non-controllable factors. In conclusion this shows that there is disagreement over ensuring that costs should be traced down to individual managers and also assess controllable and non-controllable factors. However this is in contrast with what Larmande and Ponssard (2007) initially suggests. On a different note, Larmande and Ponssard (2007) further indicated that determining the controllable and non-controllable factors in practice or in real life is dynamic and complex thus agreeing with the findings.

15/25 (60%) strongly agreed, 8/25 (32%) agreed, 0/25 (0%), not sure, 2/25 (8%) disagree .23/25 (92%) agreed whilst 2/25 (8%) disagreed to encouragement of transparency and accountability in the organization. In conclusion this shows that there is agreement over the encouragement of transparency and accountability in organization so as to enhance cost efficiency.

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6/25 (24%) strongly agreed, 7/25 (28%) agreed, 7/25 (28%) disagree and 5/25 (20%) strongly disagreed. 13/25 (52%) agreed whilst 12/25 (48%) disagreed to the fact that costs be traced to either the individual who has the best knowledge about why the cost rose or the activity that caused the cost. In conclusion this shows that there is agreement over ensuring that costs are traced to either the individual who has the best knowledge about why the cost rose or the activity that caused the cost. Horngreen (1991) further confirms this ideology as a major role of responsibility accounting.

Human Resources Commitment in the Implementation of the Responsibility Accounting Role

The study was driven to explore the commitment of R.C.Z personnel in the implementation of the Responsibility Accounting role. Findings reveals that 6/25 (24%) agreed, 2/25 (8%), not sure, 15/25 (60%) disagree and 2/25 (8%) strongly disagreed. Overall, this means 6/25 (24%) agreed whilst 19/25 (76%) disagreed to that human resources is committed in the implementation of the Responsibility Accounting role. In conclusion this shows that there is disagreement over human resources commitment in the implementation of the Responsibility Accounting role.

Through in-depth interviews interviewees sited that lack of financial incentives was seen as the major challenge demotivation workforce. Further, study respondents reviewed that RCZ personnel were not committed due to lack of non-financial incentives which included unfriendly workplace facilities, unfriendly systems and lack of supervision. From the findings, 40% agreed. 8% not sure, 48% disagree and 4% strongly disagreed to the effectiveness of policy instruments in ensuring the implementation of Responsibility Accounting role. In conclusion this shows that there is disagreement over effectiveness of policy instruments in ensuring the implementation of Responsibility Accounting role.

Challenges Encountered when Implementing Effective Responsibility Accounting

Challenges encountered when implementing effective responsibility accounting role are shown on *Table 3* below.

Table 3: Challenges encountered when implementing effective responsibility accounting

	SA	A	U	D	SD
There is no basis for employee promotions	32%	32%	0%	16%	12%
The incentives given are not related with the employees performance	60%	28%	0%	8%	0%
The employee training programmes are not adequate	56%	40%	0%	0%	5%
There is no system of comparing actual with standards	52%	28%	8%	4%	0%
Failure to consider lower level management in budgetary process	52%	44%	10	0%	0%
Interdepartmental conflicts	80%	20%	0%	0%	0%
Making unnecessary delays in reporting	60%	35%	0%	0%	8%

Key: SA = Strongly agree, A = agree, NS = not sure, D = disagree, SD = strongly disagree

Findings reveals that 8/25 (32%) strongly agreed, 8/25 (32%) agreed, 4/25 (16%), not sure, 3/25 (12%) disagree 2/25 (8%). Thus overalls, 16/25 (64%) of respondents agreed whilst 5/25 (20%) disagreed on the fact that there is no objective basis for employee promotions. From these findings it shows that there is agreement that there is no basis for employment promotion within the organisation.

Findings reveals that 15/25 (60%) strongly agreed, 7/25 (28 %) agreed, 2/25 (8%), not sure and 1/25 (4%) Strongly disagree thus from the findings it shows that 22/25 (88%) agreed whilst 3 /25 (12%) disagreed meaning that there is agreement on the fact that incentives given are not related with the employee’s achievement.

Findings from the study shows that 14/25 (56%) strongly agreed, 10/25 (40%) agreed and 1/25 (4%) Strongly disagree thus from the findings it

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shows that 24/25 (96%) agreed whilst 1/25 (4%) disagreed meaning that there is agreement on the need for employees ‘training programmes hence the company should come up with more training programmes such as seminars.

Findings from the study reveals that 13/25 (52%) strongly agreed, 7/25 (28%) agreed, 2/25 (8%) not sure, 1/25 (4%) disagree 2/25 (8%) Strongly disagree thus from the findings it shows that 20/25 (80%) agreed whilst 5/25 (20%) disagreed meaning that there is agreement on the fact that there is no system for comparing of actuals with standards hence no variance analysis on work performance.

Findings from the study reveals that 13/25 (52%) strongly agreed, 7/25 (28%) agreed, 2/25 (8%) not sure, 1/25 (4%) disagree 2/25 (8%) Strongly disagree thus from the findings it shows that 20/25 (80%) agreed whilst 5/25 (20%) disagreed meaning that there is agreement on the fact that there is no system for comparing of actuals with standards hence no variance analysis on work performance being done.

The study reveals that 13/25 (52%) strongly agreed, 11/25 (44%) agreed, 1/25 (4%) not sure, 1/25 (4%) thus from the findings, it shows that 24/25 (96%) agreed whilst 1/25 (4%) disagreed. From these findings, it shows that the management fails to consider lower-level management in budgetary formation hence it’s a one size fits all scenario. These findings are in agreement with Nyakuwanika et al (2012) who observed from their study that departments from the Ministry of Health were operating with mandated budgets and that planning, and control were not integrated.

The study shows that 20/25 (80%) strongly agreed, 5/25 (20%) agreed, thus from the findings, it shows that all respondents acknowledged the presents of interdepartmental conflicts and from the one look it shows that conflicts within the departments is a major challenge that hinders progress of the company.

Findings reveals that 19/25 (76%) strongly agreed, 6/25 (24%) agreed, thus from the findings, it shows that all respondents have agreed on that unnecessary delays in reporting also contribute largely on attaining an effective responsibility accounting hence jeopardizing companies performance. In-depth interviews have shown that there are a lot of challenges that hinders effective responsibility accounting in order to attain cost efficiency within the organization. Interviewee highlighted that challenges such as Overloading of Information that is Responsibility accounting reports may be overloading with all available information. This danger is inherent in the system but with clear instructions by management as to the functioning of the system and preparation of reports. This is in support of what vidhyanagari (2012) suggested. Interviewees have also pinpointed on the issue of classification of costs. Interviewees indicated that for responsibility accounting system to be effective a proper classification between controllable and non-controllable costs is a prime requisite. Interviewees also noted challenges such as failure to establish a uniform system for performance reports and unavailability for the basis for establishing performance reports. This ideology was further supported by (Larmande et al, 2007). Furthermore this ideology was supported by Nyakuwanika et al (2012) who reiterated that performance reports were being used to fix blame on management and that performance reports were not being distributed to sectional managers on a regular basis.

Best Strategies in the Implementation of an Effective Responsibility Accounting to Enhance Cost Efficiency

Having noted Responsibility accounting role implementation shortcomings, the study respondents proposed the below strategies as highlighted by *Table 4* below.

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Table 4: Strategies in the implementation of an effective Responsibility accounting role

	SA	A	U	D	SD
Management by exception	24%	44%	12%	4%	16%
Putting motivational system in place	48%	32%	12%	12%	8%
Use of competent personnel	32%	48%	12%	0%	8%
Inclusion of human factors in budgeting	32%	40%	4%	20%	4%
Ensuring in effective supervision and control over each cost centre	20%	52%	12%	12%	4%

Key: SA = Strongly agree, A = agree, NS = not sure, D = disagree, SD = strongly disagree

24% strongly agreed, 44% agreed, 12%, not sure, 4% disagree and 16% strongly disagreed. 68% agreed whilst 32% disagreed that there is need for management by exception in the organization so as to attain effective responsibility accounting. From these findings it shows that there is agreement over need for management by exception as a key implementation strategy for Responsibility accounting as this will assists in presenting the performance of responsibility centres, for this case, the upper levels of R.C.Z management will be aware with operations and extraordinary items performed on the lower levels of company's organizational structure. Furthermore these findings are further supported by Al-sherief (2009)

12/25 (48%) strongly agreed, 8/25 (32%) agree, 3/25 (0%) disagree and 2/25 (8%) strongly disagreed thus in total 20/25 (80%) agreed whilst 5/30 (20%) disagreed. Findings from the study clearly shows that there is agreement over putting motivational systems in place as this will raise the behavioural motivation of employees to achieve the predetermined targets, in which the laborious employee be remunerated, encouraged, or punished according to the achievement degree, So this is seen as critical in the effective implementation of responsibility accounting.

The study depicts that 8/25 (32%) strongly agreed, 12/25 (48%) agreed, 3/25(12%) disagree and 2/25 (8%) strongly disagreed. Thus 20/25 (80%) agreed whilst 5/25 (20%) disagreed. From the onset of things, this shows that there is agreement over need for hiring of competent personnel as this makes the work easier and free from errors that will cost the organisation.

8/25 (32%) strongly agreed, 10/25 (10%) agreed, 1/25 (4%), not sure, 5/25 (20%) disagree and 1/25 (4%) strongly disagreed; thus 18/25 (72%) agreed whilst/25 (28%) disagreed that inclusion of human factors in budgeting is critical in ensuring effective implementation strategy of responsibility accounting. In a nutshell this shows that there is agreement over inclusion of human factors in budgeting availability as critical to ensure effective implementation of responsibility accounting so as to enhance cost efficiency. Noreen, at al (2008) further confirms this idea. However, Horngren (2006) argues that to be effective, 'budgeting require "honest" communication about the business from subordinates and lower-level managers to their bosses.

5/25 (20%) strongly agreed, 13/25 (52%) agreed, 3/25 (12%), not sure, 3/25 (12%) disagree and 1/12 (4%) strongly disagreed thus ,72% agreed whilst 7/25 (28%) disagreed that use of an effective supervision and control over each cost centre is critical to ensure effective implementation of Responsibility accounting, Findings confirm that there is agreement over the use of an effective supervision and control over each cost centre as critical to ensure effective implementation of Responsibility accounting. An in-depth interview revealed that best strategies for implementing an effective responsibility accounting can be achieved through issuing performance reports at frequent intervals, (normally monthly) that inform responsibility centre managers of the deviations from budgets for which they are accountable and are required to take action and also Setting a performance target, measuring performance, comparing performance against target, analysing the variance and taking

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action where significant variances exist between actual and target performance.

Summary of the Results

The major roles of Responsibility accounting that enhances cost efficiency within the organization that have been found from the study are that the organisation should segregate revenue and costs into areas of personal responsibility in order to assess the performance attained by persons to whom authority has been assigned and also enhance accountability according to the responsibility entrusted to various levels of management and management information and reporting structure introduced to give sufficient feedback in terms of the entrusted responsibility. Moreso, the study reveals that costs should be traced to either the individual who has the best knowledge about why the cost rose or the activity that caused the cost. Transparency and accountability should also be practiced within the organization as this has been seen as vital in bringing cost efficiency within the organization

The organization's policy instruments were not effective in ensuring the implementation of Responsibility Accounting role. Also to note were challenges faced in trying to implement effective responsibility accounting and these are inadequate 'training programmes of employees, failure to consider lower-level management in budgetary formation and Inter departmental conflicts were seen as major challenges bedevilling effective implementation of responsibility accounting. The RCZ personnel were not independent as they were not committed due to lack of financial and non-financial incentives which included unfriendly workplace facilities, unfriendly systems and supervision.

Best strategies for effective responsibility accounting were noted as issuing performance reports at frequent intervals, (normally monthly) that inform responsibility centre managers of the deviations from budgets for which they are accountable and are required to take action and also Setting a performance target, measuring performance, comparing performance against target, analysing the variance and taking action where significant variances exist between actual and target performance.

Also to note was the issue of management by exception as a key implementation strategy for Responsibility accounting as this will assists in presenting the performance of responsibility centres. Another critical strategy identified is putting motivational systems in place as this will raise the behavioural motivation of employees to achieve the predetermined targets, in which the laborious employee be remunerated, encouraged, or punished according to the achievement degree.

CONCLUSION

The research was a success, since all research objectives were addressed hence the results thereof is relied upon. The research managed to bring the roles of effective responsibility accounting that brings cost efficiency. Findings outlined critical roles played by responsibility accounting within the organisation among these are: encouraging transparency and accountability in the organization and ensures that costs are tracked down to individual managers and also assess controllable and non-controllable factors. All these roles are critical to enhance cost efficiency within the organisation thus the role of responsibility accounting is key to the success of the organisation hence responsibility accounting can be appreciated within the organisation.

Findings reveal that the organization is facing a lot of challenges in implementing effective responsibility accounting. Major challenges from the findings are inadequate 'training programmes of employees, failure to consider lower-level management in budgetary formation and Inter departmental conflicts. These challenges are reportedly have affected responsibility accounting implementation hence affecting cost efficiency within the organisation.

Also to note, lack of commitment by the human resources personnel because of lack of financial and non-financial motivation also greatly affected effective responsibility accounting and also lack of responsibility accounting policy formulation

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and implementation was also seen as a challenge that bedevils cost efficiency within the organization thus the study concludes that commitment by human resources personnel and availability of an effective responsibility accounting policy in place positively affects cost efficiency.

Findings reveal that best strategies of implementing responsibility accounting can be employed in order to attain cost efficiency within the organization. Strategies such as ensuring an effective supervision and control over each cost centre, Inclusion of human factors in budgeting, Use of competent personnel and putting motivational System in place were identified as the best implementation strategies. In conclusion responsibility accounting needs such backup strategies for it to be successful in attaining its solely objective of cost efficiency. In conclusion therefore, Responsibility accounting plays a critical role in ensuring cost efficiency within the organisation provided it is implemented effectively hence Responsibility accounting has got a positive effect on cost efficiency within the RCZ organisation

RECOMMENDATIONS

Responsibility accounting should be communicated to all RCZ personnel and workshops on the policies should be conducted. More so, there should be adequate training programmes to all RCZ employees. The management should increase the number of training programmes such as seminars and refresher causes either monthly or quarterly

Management should consider low level staff in the implementation of the role of Responsibility accounting and also consider them in budgetary formation. Nyakuwanika et al (2012) supports this view by recommending that when coming up with budgets for the province the leadership should allow station managers to participate in the budget formulation and their suggestions should be taken on board and Incorporated in the master budget. The incentives given should be related with the employee's achievement. The management should apply a performance-based incentives strategy as this will encourage other employees to work very hard in their areas of responsibility.

Management should come up with a system for comparing of actuals with standards so as to enable itself or within its departments to do variance analysis. Management should ensure effective supervision and control over each cost centre through evaluating the reliability of internal control for compliance and performance. They should maintain effective quality management framework as it is critical in the implementation of responsibility accounting role. The RCZ management should craft a uniform responsibility accounting policy across its department that is enforceable within its operational environment and that is accepted by the laws of the Zimbabwean country and internationally. The organisation should also hire qualified personnel with full knowledge and experience. Incompetency at work result in increase in errors and accidents hence producing poor quality services.

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