Funding allocation and staff management. A Portuguese example

Maria João Rosa, Diana Tavares and Alberto Amaral

Final version published in *European Journal of Education, 44.1, pp.127-140*

Abstract

For a number of years the Portuguese Ministry of Education has used a funding formula to allocate the State budget to public higher education institutions. Some of the major objectives of the formula were increasing enrolments and allocation equity. As the expenditure on salaries was a major component of the budget, the formula was supposed to force convergence to established standard staff/student ratios. This paper analyses the evolution of staff numbers in Portuguese public universities to assess how successful the funding formula has been in forcing convergence to standard staff numbers.

Key words: Funding- State higher education, Management, National systems of higher education, Governance