

# Higher Education Funding Policy: Provision of Quality Education in Selected Universities, in Kenya

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**Abstract:**-The purpose of this study was to assess the effects of access policies on quality of higher education in selected Universities. The study objective was to find out the effect of funding policy of higher education on the provision of quality education. The sample size of the study was 195 where top managers of the selected Universities were 103 while students were 92. The research instruments used included questionnaire and interview schedules. The questionnaire was used on the Admissions Officers, Deans, DVCs, DQA, finance officers, HODs. Data was analyzed using both descriptive and inferential statistics. The study established that there was a positive and statistically significant relationship between funding policy and access to higher education. The study recommended that the Universities must be funded Funding effectively, also government allocations to public Universities should be increased. Finally, if the issue of funding is not urgently addressed, then university education in Kenya is on its deathbed

**Key words:** Higher Education, Funding Policy, Quality Education, Universities.

## I. INTRODUCTION

In Kenya, the development of funding couldn't adjust with the regularly rising enrolments, prompting quality issues identified with clogged offices that were at first intended to suit just a couple of learners just as poor working conditions in many institutions. Accordingly, numerous guardians liked to take their youngsters to ponder in developed nations, for example, USA, UK, etc. As indicated by UNESCO's information, in 2012, 13,573 Kenyan undergraduates were concentrating abroad, with 3,776 in the USA, 2,235 in the UK and 1,191 in Australia (Wenr, 2015) however the number has altogether decreased after some time. Luckily, this issue got the consideration of the central government of Kenya to make a move and reinforce the nature of advanced education. The blend of high enrolments and low financing has hit even settled Universities hard.

They neither have enough scholastic staff nor enough average educating or learning offices or access to inventive innovation like projectors. This implies educating. Indeed, even as financing drops, enrolment numbers take off. Kenya's public funded college framework has developed exponentially: there was only one at the season of autonomy and there are 33 (by 2016). About 70% of those were set up during 2012 and 2013. Understudy development has additionally been noteworthy. Only 1000 individuals were selected 1963 and by 2013 there were in excess of 300,000 college undergraduates in Kenya, both full-time and low maintenance. The blend of high enrolments

and low financing has hit even settled colleges hard. They need more scholarly staff-some part-clocks are being utilized. They don't have not too bad educating or learning offices or access to creative innovation (not many projectors assuming any). This implies instructing regularly doesn't progress past customary strategies.

In Kenya, state funded colleges have customarily depended on government financing to do their exercises. The government paid undergraduates' educational cost and everyday costs essentially to make exceptionally prepared labor that could supplant the leaving pioneer heads. As number of undergraduates looking for advanced education kept on developing quickly and the brutal monetary circumstance experienced by the nation, it was hard for the government to sufficiently back advanced education. In the budgetary year 2004/2005, the national contribution to advanced education was US\$ 122 million which expanded to US\$ 160 million out of 2008/2009 speaking to 31% while enrolment rates developed by 51% in a similar period. The administration further brought about chopping down college spending and presented cost sharing where students were to pay educational cost and charges and pay for their everyday costs. Since numerous students couldn't bear the cost of the expense of advanced education, the government presented the understudy advance plan Higher Education Loans Board (HELB).

A test of recuperating advance from undergraduates who have finished examinations brought about the foundation of Higher Education Loans Board (HELB). Be that as it may, the test of joblessness migration still represents a danger to credit recuperation. Notwithstanding credits, the HELB gives bursaries to destitute undergraduates. Undergraduates in both public and private colleges can likewise apply for bursaries from the Constituency Development Fund (CDF) kitty (Ngolovoi, 2008). A few colleges have brought about setting up pay creating exercises to enhance their financial limits, for instance, University of Nairobi has built up a constrained organization under the name University of Nairobi Enterprise Service Limited that handles all pay creating exercises, though Baraton University has set up horticultural firms to bridle from agrarian items.

Mwaniki (2010) says that during the college understudy's enlistment in 2016/17 scholastic year, top positioned colleges in Kenya had more undergraduates' applications contrasted with inadequately positioned colleges. For instance, Mt. Kenya

University (MKU) had more than 15,000 understudies wishing to go along with it contrasted with Tangaza University which had below 2,000 applications for a similar timeframe. This prompted explicit colleges, for example, MKU accepting more research assets when contrasted with other private colleges under the DUC framework for Financial Year 2017/18 (Bundi, 2017). As per a review by CUE in 2016, state funded colleges got more state capitation contrasted with private colleges by virtue of expanded admission for science understudies and STEM courses (CPS International, 2016). This state subsidizing was utilized halfway to help their exploration programs.

CUE's report (2015), is that administration reserves for the most part science and innovation related research studies: in 2014/2015, it distributed Ksh 53.8 billion only for innovative work in science and mechanical advancement. Out of this sum (Ksh 53.8b), 32 states funded colleges and college establishments of higher learning got Ksh 47 billion. The rest of the sum was infused into other research organizations like NACOSTI and Research Endowment Fund as per the Ministry of Education incidental paper no. 2, 2010. The Government coordinated less assets towards research because of stressed money related responsibility (Treasury reports 2015). This has prompted worldwide offices to intercede in financing research in Kenya. There are constrained neighborhood analysts at under 230 for each a million occupants to lead explore activity among nearby inquires about because of absence of subsidizing (UNESCO, 2017).

1.1 Statement of the Problem

As articulated in Kenya's education 'master plan' (MoEST 2007), quality education should demonstrate a shift in focus away from simply passing exams towards an approach that encompasses the discovery of talents and the development of analytical, cognitive and creative potential, enhanced by the prudent utilization of resources. This probably explains why Ludeman et al., (2009) assert that higher education institutions in Kenya now need to focus on students and put their needs at the center of all that they do. Quality higher learning in Kenya appears to be influenced by several factors which include but not limited to policies on quality education; admissions, funding, policies on inclusion and constitutional requirements. These policies are said to affect admission to higher education in Kenya. However, the extent to which the identified policies impact on access to higher learning in Kenya have not been extensively studied. This study, therefore, set out to assess the effects of access policies on quality of higher learning in selected Universities

1.2 Objective of the study

To establish the effect of funding policy of higher education on the provision of quality education in selected universities, in Kenya

1.3 Research Question

What is the effect of the funding policy of higher education on the provision of quality education in selected Universities, in Kenya?

1.4 Research Hypothesis

**H<sub>01</sub>:** There is no statistically significant relationship between funding policy and the quality of higher education.

II. RESEARCH METHODOLOGY AND METHODS

Pragmatism paradigm was used in this study. This paradigm employs both qualitative and quantitative techniques. According to Dewey (1925a/2008), advocates of mixed method research have proposed Pragmatism as a paradigm for social research emphasizing more on the practical part rather than on the philosophical one. Qualitative research was used because it allowed for rich details and interpretations of policies for example interviews, and questionnaires. The qualitative research aims to explore issues and gain in-depth understanding of the policies. Here the type of data employed was that the phenomenon would be described by respondents in a narrative manner. The scope of inquiry was broad and thematic in nature.

Quantitative Research method was also used here. This research method was used to confirm numeral events on access policies like number of students admitted, fees paid by students, number of lecturers per program, ratio of full time lecturers to part time lecturers, volumes of books in libraries, number of offices against officers, number of playgrounds against student enrolment, lecturer's contact hours with students, and student /lecturer ratio. This mixed method was applicable here because it would consider the feelings and insights of respondents and answer questions of how many. Also both qualitative and quantitative methods would complement each other to maximize the strengths and minimize the limitations of each.

III. FINDINGS AND DISCUSSION

The objective of this study was to find out the effect of funding policy of higher education on the provision of quality education in selected Universities, in Kenya. The Funding Policy states that Universities Fund should be established to provide funds for Universities provided by the Government (R.o.K, 2012). To achieve this objective, data was obtained from the finance officers concerning the sources of income of the funds they had in the Universities. The findings were presented in percentages as shown in Table 3.1.

Table 3.1: Ratio of Total Budget to Higher Education

Total Budget	Higher education	Ratio
3.02T	97.7B	96.8: 3.2%

Source: National Budget 2019/2020

Table 3.1 shows that the ratio the country's total budget to higher education in 2019/2020 was 96.8:3.2%.

Table 3.2: Ratio of Education to Higher Education

Education	Higher education	Ratio
208.9B	97.7B	68.1:31.9%

Source: National Budget 2019/2020

Table 3.2 shows that the ratio of Education to High Education as per the National Budget of 2019/2020 was 68.1:31.9%.

Table 3.3: Sources of Funding University Education

Source	Amount	% Of Total Amount
Donor	29603796.00	30.7%
HELB	1213391126.00	5.4%
I.G.U	265130471.00	6.7%
M.O.E	2210240321.00	56%
Others	20136550.00	1%
PSSP	211511300.00	0.24%
Total	<b>3,950,013,564</b>	<b>100%</b>

Source: Research data 2019

As shown in Table 3.3, a total of Ksh. 1213391126.00 (5.4%) was received from Higher Education Loans Board (HELB) while Ksh. 211511300.00 (0.24%) was received from PSSP. Further, Ksh. 265130471.00 (6.7%) was obtained from internal investment units and Ksh.2210240321.00 (56%) was received from the Ministry of Education. The study also established that the total amount received from donors was Ksh. 29603796.00(30.7%) giving an average of Ksh.14801898.0000 in each of the Universities where the study was done. It was also found that a total of Ksh. 20136550.00 (1%) was received by the Universities from other sources. This meant that the highest funder of the activities in the Universities was the Government through the Ministry of Education. This is in agreement with Universities Act No. 42 of 2012 Part VII on Universities funding board that states that the Universities fund should be established to provide funds for Universities provided by the Government (R.o.K, 2012). The fund also consists of monies obtained through income generated by investments made by the trustees, grants and gifts.

Table 3.4 Distribution of Income Received

Amount Ksh.	Lecturers %	Development %	Play grounds %	Library %	Security %	Non-teaching %	Offices %	Special needs facilities %
3,370,031,027	41	9.7	23	0.04	0.4	25	0.0	0.2

Source: Research data 2019

The findings shown in Table 3.4 revealed that 41% of the total amount was paid to lecturers while 9.7% was set aside for development. Further, 23% was used for playground and 0.04% of the total amount was used for library construction. The study also established that 0.4% was allocated for security whereas a total of 25% of the total amount received by Universities was set aside for non-teaching staff. It should be noted that there was only one University that had allocated

0.2% of its total income for special needs facility and no University had budgeted for the construction of offices. The University policy on funding also emphasize on appropriating funds only on the expenditure that is approved by the trustees for funding of the public Universities (R.o.K, 2012).

The respondents were asked for their opinion concerning the effect of funding policy on the provision of quality education. The responses were as presented in Table 3.5.

Table 3.5: Effect of Funding Policy on the Provision of Quality Education

Statement	SD		D		U		A		SA		TOTAL	
	F	%	F	%	F	%	F	%	F	%	F	%
University education has a funding system in place	0	0.0	0	0.0	0	0.0	40	50.6	39	49.4	79	100.0
The funding system accounts for all expenditure of students	0	0.0	19	24.1	0	0.0	38	48.1	22	27.8	79	100.0
Lack of funds to recruit faculties has made many professors resign for better paying jobs in other countries	0	0.0	21	26.6	10	12.7	31	39.2	17	21.5	79	100.0
The high level of poverty within many households may force some children to drop out of college to seek employment to support their family's meager resources	0	0.0	7	8.9	2	2.5	28	35.4	42	53.2	79	100.0
There is a shortage of physical facilities for teaching and learning	0	0.0	10	12.7	3	3.8	46	58.2	20	25.3	79	100.0
Universities rely on government funding to carry out their activities	0	0.0	25	31.6	5	6.3	34	43.0	15	19.0	79	100.0

Key: SA-strongly agree, A-agree, U-undecided, D-disagree, SD- strongly disagree

Table 3.5 shows that 39 (49.4%) of the respondents strongly agreed and another 40 (50.6%) agreed that University education had a funding system in place. Altogether, 79 (100%) of the respondents agreed that University education had a funding system in place. It was also indicated that 38 (48.1%) of the respondents agreed and 22 (27.8%) of the respondents strongly agreed that the funding system accounted for all expenditure of students while 19 (24.1%) disagreed. This indicated that cumulatively 60 (75.9%) asserted the statement that the funding system of the Universities accounted for all expenditures of students. This was in agreement with Gudo (2014), who expresses that; for the Sub-Saharan Africa to receive the rewards of human capital at that point, foundations of higher learning must be adequately financed to give quality preparing and sound proficient improvement. On the off chance that the subsidizing framework in higher learning establishments isn't streamlined, nature of instruction is brought down.

The results in Table 3.5 also showed that 31 (39.2%) of the respondents agreed and 17 (21.5%) of the respondents strongly agreed on the statement that lack of funds to recruit faculties had made many professors resign for better paying jobs in other countries. However, 21 (26.6%) disagreed and 10 (12.7%) were undecided. This meant that more than half 50 (60.7%) of the respondents agreed with the statement that lack of enough funds in Universities caused brain drain. This means that some professors who were not comfortable with current faculties and salaries paid were forced to move out of the country to look for greener pastures (brain drain). This was contrary to Creed et al (2012) who asserted that institutions of higher learning should increasingly invest in programs to promote access and increase quality. This led to some Universities having fewer professors than expected hence lowering quality of higher education.

Regarding poverty within many households it was noted that 42 (53.2%) of the respondents strongly agreed and 28 (35.4%) agreed that the high level of poverty within many households might force some children to drop out of college to seek employment to support their family's meager resources. Altogether, 70 (88.6%) asserted the statement that high levels of poverty within many households forced many children drop out of college to seek employment to out of college to support their family's meager resources. Only 7 (8.9%) disagreed and 2 (2.5%) were undecided. Students who drop out of college for whatever reason is against Jebaraj et al (2011), who states that People, firms and countries have in the past inescapable income and put resources into starting expenses of instruction, for example, educational cost and charges planning to build their gaining and efficiency later on. If students continued dropping out of college due to poverty, it would lower the internal efficiency and completion rates of Universities hence reducing quality in that some students may read on their own, do exams and pass but the quality of these students would still be questionable.

The study also established that 46 (58.2%) of the respondents agreed and another 20 (25.3%) strongly agreed that there was a shortage of physical facilities for teaching and learning in higher learning institutions. However, 10 (12.7%) disagreed and 3 (3.8%) were undecided. This implied that cumulatively, 66 (83.5%) of the respondents agreed that there was a shortage of physical facilities for teaching and learning in higher learning institutions in the Universities where the study was done. This was due to the fact that Universities aim at attracting as many students as possible without considering the availability of physical facilities. This is contrary to Ministry of Education, (2012); and Wanjohi, (2011) who state: "Since independence time, major transitions and reforms in Kenyan education system were made and focused on its access, equity, quality, affordability and relevance and later tremendously expanded institutions at all levels to meet the aspirations of rapidly growing Kenyan population". This implied that such a state would pose a challenge in the accessibility of quality higher education due to issues of affordability.

Similarly, Table 3.5 revealed that 34 (43.0%) of the respondents agreed and another 15 (19.0%) strongly agreed that Universities rely on government funding to carry out their activities. There were 25 (31.6%) of the respondents who disagreed and 5 (6.3%) who were undecided. This indicated that majority 49 (62.0%) of the respondents agreed that Universities rely on government funding to carry out their activities. This meant that even though education remains one of the functions of the central government, Universities require government funding and other sources like internal generating units among others to carry out their activities to meet the expenses of the learners.

3.1 Hypothesis Testing

Further, statistical analysis was done to establish whether there was a significant relationship between funding policy and quality of University education as per the hypothesis of the study. The findings were presented in Table 3.6.

Table 3.6: Correlation between funding policy and quality University education

		Quality university education in Kenya
Funding Policy	Pearson Correlation	.837**
	Sig. (2-tailed)	.002
	N	76

\*. Correlation is significant at the 0.05 level (2-tailed).

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

The results in Table 3.6: shows that there is a positive and statistically significant relationship between a funding policy and quality of higher education at  $r=.837^{**}P<.001$  significant level. This meant that the null hypothesis which states: there is no statistically significant relationship between funding policy and quality of University education was to be rejected and the

alternative one accepted. The coefficient of determinant  $R^2$  established that funding policy contributes 70.1% variability to access of quality higher education when other factors are held constant. Hence, funding policy will affect quality of education if it is not fairly distributed among students. This is in agreement with Gudo (2014), who argued that for Sub-Saharan Africa to receive the rewards of human capital at that point, foundations of higher learning must be adequately financed to give quality preparing and sound proficient improvement.

#### IV. WAY FORWARD

Funding Policy-Universities must be funded fully, government allocations to public Universities should be increased. Clearly, if the issue of funding is not urgently addressed, then university education in Kenya is on its deathbed. The financial shortfall also explains why some universities take as much as three years to pay their part-time lecturers. The State should treat the role of university education in the country's socio-economic agenda with the seriousness it deserves.

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