

RELATIONSHIP BETWEEN INCOME GENERATING ACTIVITIES AND FINANCIAL PERFORMANCE OF PUBLIC UNIVERSITIES IN KENYA

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ABSTRACT

The proposed study was to explore the relationship between income generating Activities and financial performance of public universities in Kenya. Higher education in Kenya has been recognized as a critical tool in transforming the society. The Government spends a lot of funds on education in relation to the national budget. However, despite the continued increase in government investment in higher education; resources are never adequate to match the ever-increasing enrolment rates. In connection to this, several public Universities have mobilized their scarce resources to establish IGAs in order to supplement the government expenditure on education. Specific objective of this study was to examine the contribution of academic based IGAs, roles of service Based IGAs, and how production based IGAs influence the financial performance of public Universities in Kenya. A broad study was done with regards to the various theories that explain the relationship that really exist between income generating activities and their financial performance, where the resource dependency theory is seen as a conceptual tool where it argues that no organization is completely self-contained, agency theory on the other hand was also considered as an important tool since it shows, the relationship that exist between two parties, where one party is been referred as principal and the other one agent. It was observed that, most of the IGAs conducted in public Universities in Kenya include Academic Based IGAs: well known of these programs are module II programs, service Based IGAs dealing with services like restaurants, cyber cafes, production Based IGAs was also put in place in this study, also as source of income to the Universities. A descriptive approach in this project was used to explain the relationship between the variables of the study as shown in the conceptual framework, where questionnaires were used to analyze whether their existed a relationship between IGAs and Financial performance in Public Universities.

Key words: Government investment, Income Generating Activities, Academic Based IGAs, Module II Programs

1. Introduction

Over the past ten years public corporations, where public universities been included have continuously received less financial allocation from the Government than the estimated expenditure as forecasted by the institution. According to Kiamba (2003), the government made it clear that it will no longer be able to fully finance public universities. It was observed that in Kenya 1994/1998 development plan was that, the central thrust of the new policies was to rely on market forces to mobilize resources for growth and development with the role of the Government increased confined to providing an effective regulatory framework and essential public infrastructure and social services. The Government therefore limited direct participation in many sectors and instead it opted in promoting private sector activity As a result most public universities had to explore other means of generating income to finance the university programmes. The income generating activities, currently being undertaken by public universities in Kenya, can generally be classified into two groups, namely; teaching /academic based (parallel degree) programs and non-teaching income generating activities.

According to (Kiamba, 1994,) it was noted that, the government of Kenya decreased it budget allocation on education from 37 percent of its total annual recurrent budget to about 30 percent, where the government stated that due to economic status it was not possible to allocate additional funding to higher education. Due to this shortfall in the public budget, to finance higher education, this brought the impetus for institutions to look for alternative means of financing themselves for their survival. Due to high financial demand in public universities, it was decided that, they can start their own income generating incomes, when these activities started most public universities reduced overdependence from the government budget. Several strategies for revenue diversification were adopted which include; Establishment of units for income generation. Some of these activities were like, training and consultancy, hotels, mortuary within the universities, university press and other units such as farms and even petrol stations, Institution of overhead charges: In some universities, individual professors with external research contracts it was a must for them to surrender 15 percent of the contract to the university. The introduction of the Module II (parallel track) programs in 1998 (Kigotho, 2000).

It was observed that as a result of these and many other measures, the revenue which was coming from other sources which were non government sources Started increasing. The income generated by the module II programs at the University of Nairobi grew from 4 percent of total income in 1998-99 to 40 percent in 2007/08. Nevertheless, the revenue diversification measures being undertaken could only offset a fraction of the considerable financial austerity facing public universities in Kenya today.

Due to inadequate funding of the Universities and other private institutions this led to a calamitous effect on teaching and research, therefore universities themselves have been forced to embark on income generating activities in order to source for funds. Therefore, the available revenue which is generated within is usually spent on capital projects like building post modern library modern administration offices, teaching and research and students welfare. It has been noted that capital Projects and salaries reportedly take a bulk of the total revenue while teaching and students' welfare tend to be given less priority. Odebiyi and Aina et al (1999).

Statement of problem

(Kiamba 2003), states that there is evidence that public universities were not utilizing their resources efficiently and effectively. After a thorough examination of some teaching staff to student ratios and non-teaching staff to student ratios in the public universities, it was observed that in some cases, academic staff were under employed, due to lack of enough finance to sustain huge number of staffs, in public universities, where most of these academic staffs held permanent positions, but were very active in teaching and consulting outside these institutions. Following suspension of donor funding in 1992, a number of infrastructure projects stalled due to large sums of money owed to contractors. Lack of accountability for funds by public universities in the past has also contributed to this situation

The increasing number of students had put great pressure on the workload of the donors who also were highly expected to actively participate or engage themselves in research work (Gudo et al.,2011). The University Grants report indicated that there was a decline in budgetary vote on research, thereby affecting research productivity at the universities.

Gazette Notice No. 3089 of 19th April 2005, in Kenya Gazette Vol. CVII No. 27 of 22nd April 2005) which was under the hand of H. E. Mwai Kibaki, President of Kenya. Stated that, many public universities were found falling behind in fulfilment of their statutory obligations such as submission of Pay as You Earn (PAYE) deductions, NSSF and NHIF dues. Most of public universities in Kenya have shown that significant funds can be generated through income generating units. This has been made possible through the use of university facilities and expertise to generate more funds. Whereas the potentials for income generation through innovation and inventions are there for most universities these have not been adequately utilized and full realization of these potentials may not be possible due to several bottlenecks (Ogada, 2000). The management of income generating units has been very difficult due to various factors hence affecting its performance.

Objective of the study

The main objective of the study was to determine the relationship between IGAs and financial performance of public universities in Kenya

Specific objectives

- (i) What is the contribution of academic incomes generating activities to the financial performance of public universities in Kenya?
- (ii) Which roles do service based IGAs perform in enhancing financial performance in public universities in Kenya?

2. LITERATURE REVIEW

Theoretical Review

The study was anchored on two theories which include; Agency Theory, Resource Dependence Theory, Agency theory this is a theory that portrays the relationship that exist between two parties, where one party is preferred as hired principal where his duties is to manage others who are referred to as the agent. In this case, the duty of the agency is normally to carry out tasks on behalf of the principal (Ross, 1973; Moe, 1984). During the 1980s and 1990s, the role of agency theory was realized becoming more or less main stream in higher education research. Researchers such as Ferris (1991), Lehtmaki (1993), Whynes (1993), Holtta (1995), Williams (1995; 1997), Massy (1996), and Geuna (1999) acknowledged the existence of the principal agent setting, however, it was discovered that a well established in depth study about the intended relationship as an agency relationship has not been done yet. Furthermore, some of the researchers such as McLendon (2003), Liefner (2003), Gornitzka et al (2004), Lane (2005) and Kivisto (2007) applied agency theory in the context of higher education, where they stated that there was a relationship that existed between the university and the government. All those researches recognized and utilize the existence of what so called agency theory as a tool that can be used as an analytical framework or an approach that can be characterized as a lens to photograph, which is visible to both parties and can be used to answer question so easily (Creswell, 2003:119). Kivisto (2005a; 2005b; 2007), conducted a research that showed that there is an increased effort which is of important to apply the agency theory in the context of today's higher education and has led toward th agency relationship.

Resource Dependence Theory

The financial resource in public Universities (mostly in terms expenditure per student) from principal benefactors (governments) has been realized declining across African countries, where

Kenya is among this countries and is not left behind in resource scarcity, (Johnstone, 1998; World Bank, 2010). However in order to understand how public universities in Kenya as organizations obtain their revenue for their survival, many theories that explain organizational responses to resource challenges are of important and of great necessity and been found appropriate to be used. Therefore Resource dependence theory (RDT) has been useful in providing useful conceptual tools for understanding organizational responses to financial performance, or financial challenge (Pfeffer and Salancik, 1978; Aldrich and Pfeffer, 1976; Davis and Cobb,2009). Therefore this theory argues that no organization is completely self-contained.

Organizations survival is therefore deemed to be a dependent on the extent that they are able to acquire and maintain resources. Need for public universities to acquire resources creates dependencies between organizations and their external units, where the scarcity of resources determines the degree of dependency. According to RDT, when resources are not enough to every public state, and these resources found to be in state of short supply, organizational stability is threatened heavily . Organizational venerability occurs. Under such circumstances organizational efforts are directed at regaining stability, at removing the source of the threat to the organization.

Empirical Literature

It is evident that(kiamba 2003), from the foregoing economy where there is diminishing government funding, public universities in Kenya must change from relying heavily from the Government support and diversify their Ideas to innovative income generating activities which will help them to raise funds to sustain academic programs. Where by apart from raising funds from students' tuition fees payments, public universities have taken a very crucial initiative of identifying and developing entrepreneurial sources of raising additional of revenues in their institution.

However, there is still some strategies that need to be applied by public university,which will be of great important in self-funding that, However each of the innovative income generating strategies in public universities need to be examined. Suggestions on how to enhance the existing or planned fund raising programs are made (Nafukho, 2001).

Academic Based IGAs; Development of Module II Programs

Since 1980s Kenya government was faced with a declining in funding and a continuous demand for higher education, public university system had to seek alternative of raising finance which was through income generating activities, which were to be through innovative in order to meet the increasing enrolments in universities (Nyaigotti-Chacha, 2004). Those students who were

attending the parallel program were self-sponsored as opposed to students in the regular program who are either fully or partially supported through some form of government funding. Moreover, while the Module 1 students are provided with subsidized boarding by the universities, the Module II students have to pay full boarding rates (Kiamba, 2004). Students in the Module II programs were taking their lectures separately mostly in the evening and weekends, or with the regular students (Nyaigotti-Chacha, 2004). Despite the high tuition and other fees paid by students in the Module II degree programs, this business model has become so popular especially in Public Universities, mostly in financial beneficial to the universities. For the example at the University of Nairobi, Module II programs were first introduced within the business and education related programs such as Commerce, Business Administration, and Education. Due to high demand, similar programs were quickly launched in other public Universities.

The establishment of satellite campuses all over the country is also likely to spur economic development in rural areas that are normally dependent on agriculture. For example a case in in Kenyatta University's they have one of their off campus which is mostly dealing with module II program, which is called Kitui campus at Kwa Vonza

Service Based Income Generating Activities

Earlier, there was a clear indication that, public universities competitive advantage in income generation was only in the knowledge driven areas; hence this was improved with an aim of "Adding Value to Knowledge." (Kiamba 1998), where by the knowledge driven sectors of the economy were seen not only as areas of core university competence, but also as those sectors that were observed growing faster and breaking scientific ground. In becoming involved, the university would thus not only be conducting good business but also showing that the new educational opportunities created by the company would save money that would otherwise have been spent in different activities. Expenditure on capital projects, in Nairobi University especially those were stalled for long time, projects that the government started during the 1980s, Kiamba 2004, Income which was generated from these activities gave those projects first priority to be completed because of the need for more classroom space. Also those finance could be used in renovating and maintaining university property, therefore The contribution of these income to the total university income rose dramatically from about 3.8% in 1997–1998, 14% in 1988–1999, 19.6% in 1999–2000, 23% in 2000–2001, 29% in 2001–2002, and 33% in 2002–2003. Within six years, therefore, these income contributed about one-third of the university's total income, which was of great importance to the university since the finance generated was used in funding environment of the university over the next 10 years.

CONCEPTUAL FRAMEWORK

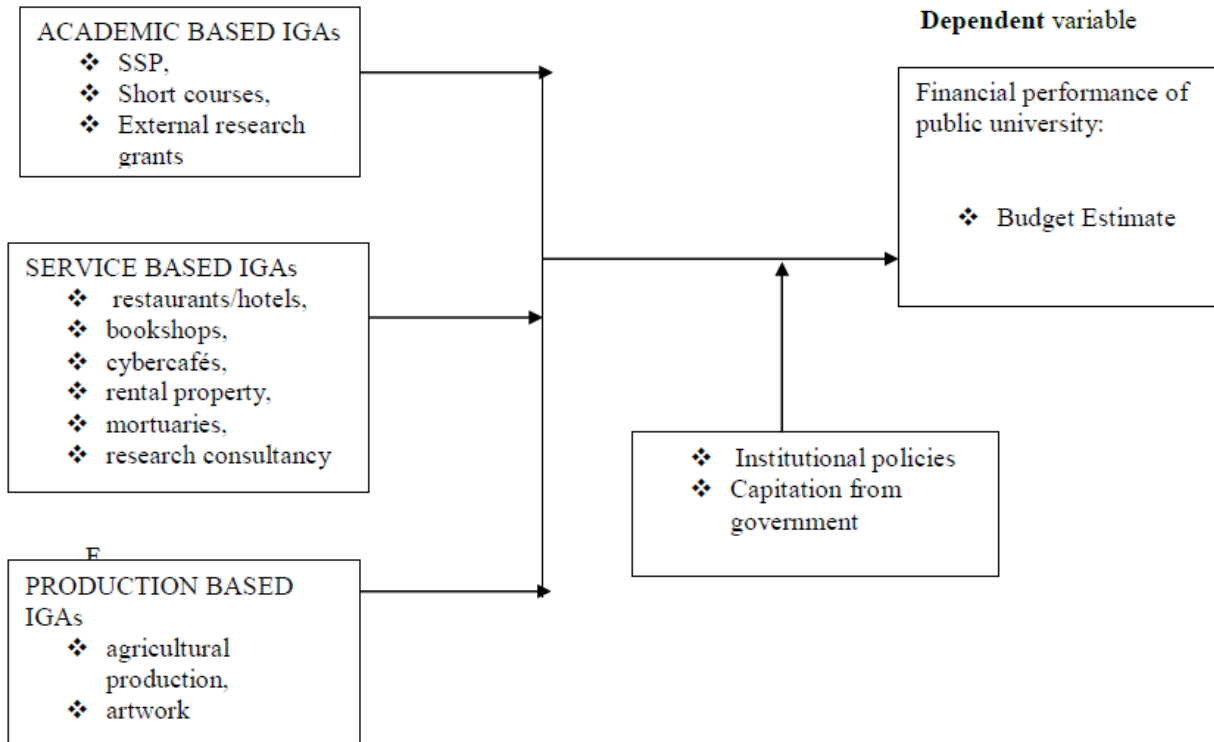


figure 1: Conceptual framework

3. RESEARCH METHODOLOGY

3.1 Introduction

This chapter covers research design, target population, sample size and sampling procedure, instrumentations, data collection, data analysis/presentation and ethical considerations.

3.2 Research Design

The research adopted the descriptive research design. Where influential statistics such as correlation co-efficient in particular, Pearson product and regression analysis were used to show the relationship between dependent and independent variables. The main advantage of descriptive design was to help in describing the various income generating activities and their influence to financial performance of public universities in Kenya. Thus, the research design was employed since it identifies the relationship between IGAs and financial performance of the universities. Descriptive research describes data and characteristics about the population or

phenomenon being studied, which involves observing and describing the behaviour of a subject without influencing it in any way.

3.3 Target population

The target population in this study was the seventeen public universities that were been chartered for more than five years, as at the end of the year 2014. (Commission of University Education)

3.4 Sample and Sampling Techniques

For completion of this study, all the seventeen Public Universities were selected, and two members of IGAs were randomly selected.

4. DATA ANALYSIS AND INTERPRETATION

Introduction

This chapter presents analysis and findings of the study as set out in the research methodology and the study objectives. The study's findings are presented on to establish if there is a relationship between income generating activities and financial performance of public universities in Kenya. Questionnaire was used as the main source of information for study.

Response Rate

The sample of the study comprised of 45 questionnaires sent out to the various public universities, 35 were collected within the time period, where the research instruments were administered to the respondents who later on returned all duly filled instruments. Out of 45 questionnaires that were administered, 35 were duly filled and returned. This was a response rate of 77.78% as displayed in table 4.1.1 Response Rate

Table 4. Socio demographics of the respondents

Variable	Number of Respondent	Percent
Gender	Male	24 69%
	Female	11 31%
Educational Level	Masters degree and above	4 11%
	Bachelor's degree	22 63%
	O-Level Certificate	5 15%

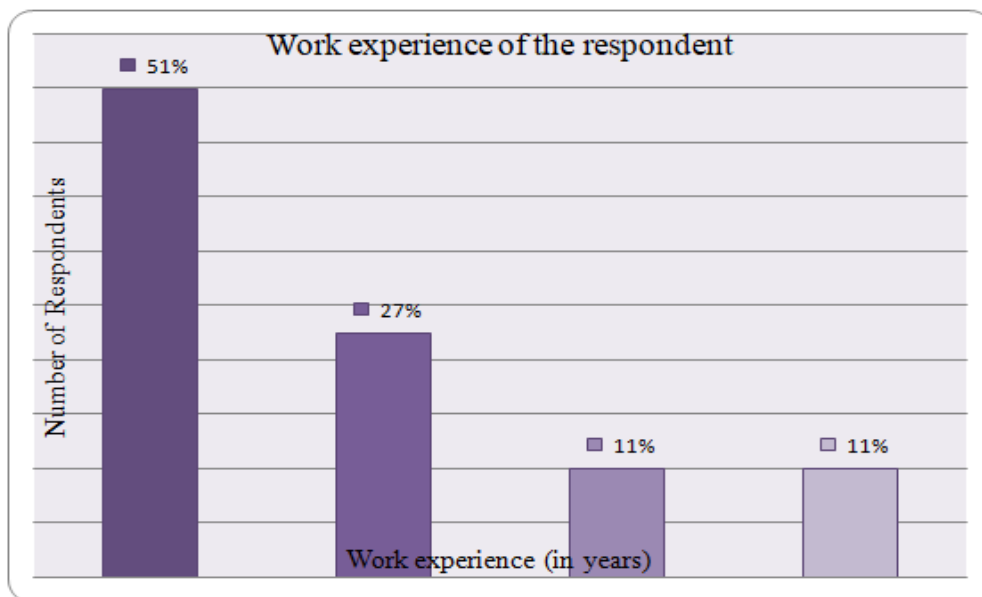
	Others Specify	4	11%
Age Category (in years)	25 - 34	12	35%
	35 - 44	9	26%
	45 - 54	12	35%
	55 and above	2	4%
Work experience (in years)	2 - 7	18	51%
	8 - 13	9	27%
	14 - 19	4	11%
	20 and above	4	11%

n = 35

Source: Research Data (2015)

Experience within the IGAs

On the time the respondents had been working in the IGAs the study found that 51% had been in their respective section for a period less than 8 years, 27% had been in the IGAs section for a period between 8 and 13 years while the remaining 22% had been working for their respective section for a period between 14 and 20 years and above. These results are summarized and presented in Table 4.1 The results imply that majority of the respondents had been working in IGA section for a period between 3 and 13 years. Thus, most of the employees are more experienced in terms of the operations of their activities hence their opinions are reliable.



Job description

Job Position	Number of respondents	Percent
Senior Accountant	8	23%
Accountant	13	37%
Assistant Accountant	10	29%
Deputy Finance Officer	1	3%
IGA Service Provider	1	3%
IGA Manager	2	6%
Total	35	100%

Source: Research Data (2015)

Table 4.1 shows that the respondents held various job positions within the IGAs section in Finance departments. 23 percent (n=8) were senior accountants, 37 percent (n=13) were accountants while 29 percent (n=10) were assistant accountants. In total, accountants comprised 89 percent of all the respondents while the remainder comprised of one deputy finance officer, two IGA managers and one IGA direct service provider. This finding indicates that most IGA financial transactions of the public universities are managed by accountants while auxiliary activities are undertaken by managers and service providers.

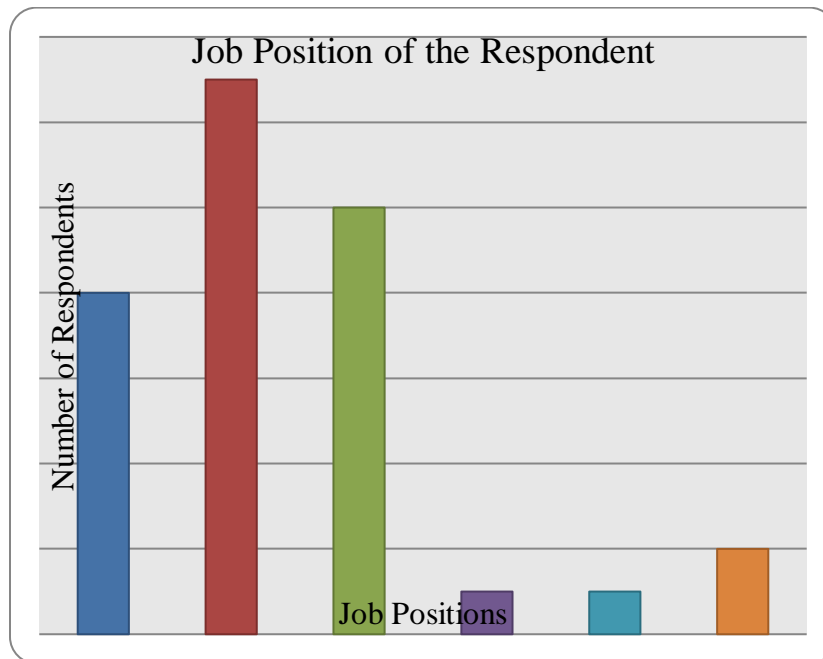


Figure 4:1: Job Position of the Respondent

Academic-based Income Generating Activities

Item	Agreed	Not Sure	disagreed
Academic-based IGAs were implemented to supplemented budgetary deficits of the University	21 (97%)	0 (0%)	1 (3%)
Income generated from academic programmes is sufficient to finance associated costs	14 (40%)	6 (18%)	15 (42%)
Resources generated from academic programmes are used to expand teaching facilities	23 (66%)	5 (14%)	7 (20%)
The university financial position is highly dependent on academic-based IGAs	25 (72%)	2 (5%)	8 (23%)
The university financial health would be affected if there is decline in SSP student enrolment	29 (83%)	0 (0%)	8 (17%)
The university financial position has improved than it was before SSP programmes were introduced	17 (80%)	2 (6%)	5 (15%)
Public universities have embraced IGAs in achieving their core objectives as opposed to the traditional capitation from government	21 (85%)	3 (9%)	2 (6%)

The study sought to find out whether there is contribution of academic-based IGAs to the financial performance of public universities in Kenya, the study revealed in Table 4.2 indicated that, 97% of the respondents strongly agreed that academic-based IGAs were implemented to supplement budgetary deficits of public Universities with only a few (3%) disagreeing that this was the main reason for establishing IGAs. 42% of the respondents disagreed that Income generated from academic programmes is sufficient to finance associated costs in the Universities, 18% were not sure, while 30% were contrary to the result and indicated that income generated from IGAs, are able to sufficient finance associated cost. 66% of the respondent indicated that Resources generated from academic programmes are used to expand teaching facilities, according to (Pfeffer & Salancik, 1978; Aldrich & Pfeffer, 1976) in resource dependency theory, public universities are seen depending highly on income generated from Academic based IGAs, to expand their facilities to ease teaching and to create good conducive learning environment, where else 20% didn't see how these monies are used to expand these facilities.

Table 4:3: Service-based Income Generating Activities

Item	Agreed	Not Sure	disagreed
The financial performance of the University would be greatly affected if there were no service-based IGAs	29 (83%)	4 (11%)	2 (6%)
Income generated from service-based IGAs contribute to the financial wellbeing of the institution	32 (91%)	1 (3%)	2 (6%)
Service-based IGAs are the integral to the University financial performance	27 (78%)	4 (11%)	4 (11%)
Service-based IGAs are considered as assets to the University	25 (71%)	4 (11%)	6 (18%)
Service-based IGAs are considered as liabilities to the University	7 (20%)	6 (18%)	22 (62%)
There is accountability in spending income generated from service-based IGAs of the University	22 (62%)	2 (6%)	11 (32%)
There is transparency in spending income generated from service-based IGAs of the University	20 (56%)	2 (6%)	13 (38%)
Personnel in the service-based IGAs of the University are qualified to perform their financial duties	30 (85%)	2 (6%)	3 (9%)
There are adequate internal controls and checks for income generated from serviced-based IGAs of the University	23 (67%)	3 (8%)	9 (25%)
Resources generated from service-based IGAs are used to develop University infrastructure	23 (46%)	7 (20%)	5 (14%)
Service-based IGAs are among the top sources of income for the University	22 (62%)	4 (11%)	9 (26%)

Source: Research Data (2015)

The results shown in Table 4.3 measure the roles of service based IGAs to the financial performance of public universities.83% of the result shows that there will be great significant impact to the financial performance of public Universities if there will be no service based IGAs, this is an indication that service based IGAs plays a great role in the financial performance in the public universities, where else 17% seem not to understand the importance of these services. Thus, when it comes to Income generated from service-based IGAs and their contribution to the financial wellbeing of the institution, 91% of the result indicated that income generated from these activities plays a very special role since it has great percentage compared to 9% of the result which showed the respondent were in disagreement. 78% of the result found out that service-based IGAs are the integral to the University financial performance, while minority of 22% disagreed on this issue.

when it comes to Resources generated from service-based IGAs 66% strongly agreed that, these resources are used to develop University infrastructures, 14% were in disagreement on the development of institution, while 20% stood not to be sure on the progress of the income generated from service based, further 63% indicated that Service-based IGAs are among the top sources of income for the Universities, 26% were in disagreement of this while 11% were not sure whether these services based are top or not.

Production-based Income Generating Activities

Item	Agreed	Not Sure	Disagreed
Production-based IGAs supplement University capital base	29 (83%)	3 (8%)	3 (9%)
Production-based IGAs grew out of the necessity to improve financial performance of the University	29 (83%)	1 (3%)	5 (14%)
The University financial position is heavily dependent on the production-based IGAs	18 (51%)	3 (9%)	14 (40%)
Scrapping production-based IGAs would have minimum effect on the financial performance of the University	10 (28%)	8 (23%)	17 (49%)
Production-based IGAs are insignificant to the financial performance of University	7 (20%)	12 (34%)	16 (46%)
The University established production-based IGAs to supplement other sources of income	29 (83%)	0 (0%)	6 (17%)
Production-based IGAs have been underperforming as compared to other IGAs	10 (29%)	8 (23%)	17 (48%)
The University has paid little attention to the growth of production-based IGAs	12 (34%)	9 (26%)	14 (40%)
The University has given little consideration to up-scaling production-based IGAs	12 (34%)	11 (32%)	12 (34%)
There have been slow growth of production-based IGAs	17 (49%)	7 (20%)	11 (31%)

Source: Research Data (2015)

The study revealed that that 83% of the respondents strongly agreed that, production based IGAs totally supplement Public Universities capital base,9% were not in agreement of this supplement, while 3% were left in a state of been not sure whether, production based IGAs supplement capital base or not. After through exploration of whether production based IGAs grew out of the necessity to improve financial performance of Public universities 83% of the respondent were

strongly in agreement, this is seen in argument of (Jongbloed, 2004) when he explained in resource dependency theory, that dependency is seen as a strategic choice approaches, where this theory assumes that an active role of individual organizations in their struggle for survival. 3% were left doubting, while 11% were seen been in disagreement of this influential performance of production based IGAs. The study found that 46% of the respondents were in disagreement that, production based IGAs are insignificant to the financial performance in public universities, this is an indication that most public Universities recognize production based IGAs as one of their source of income which enable them to move on smoothly when it comes in financial matters, 20% were seen agreeing this activities does not add value in their institution, while 34% were neutral of the significant.

4.1 Logistic Regression Model Analysis for Financial Performance on IGA

Regression analysis

This section presents a discussion of the results of inferential statistics. The researcher conducted a multiple regression analysis so as to determine the relative importance of each of the variables with respect to establish the relationship of between IGAs and financial performance in public universities in Kenya: The researcher applied the statistical package SPSS and SAS, to enter and compute the measurements of the multiple regressions for the study. Findings are presented in the following tables;

$$Y = \beta_1X_1 + \beta_2X_2 + \dots + \beta_nX_n$$

Table 4.5: Logistic Regression Model for Financial Performance on IGAs Indicators

Variable Name	Parameter Estimate	Std. Error	Wald χ^2	DF	p-value	Odds Ratio	95 % CI	
Intercept	12.784	6.926	3.407	1	0.070*	-	-	-
Academic Based	0.279	0.699	0.159	1	0.690	1.322	0.336	5.203
Academic Based	0.664	0.552	1.447	1	0.233	1.942	0.659	5.724
Service Based	-0.563	0.516	1.194	1	0.274	0.569	0.207	1.564
Service Based	-0.413	0.509	0.655	1	0.424	0.662	0.244	1.798
Production Based	2.487	1.233	4.071	1	0.044*	0.083	0.007	0.931
Production Based	-0.772	0.547	1.994	1	0.101†	0.462	0.158	1.350
			Chi-sq.	DF	p-value			
	Likelihood Ratio		15.604	6	0.016*			
	Wald		5.7869	6	0.448			

p<.1, **p*<.05, ***p*<.01, ****p*<.001

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where:

Y = Financial performance

β_0 = Constant Term; β_1 , β_2 , β_3 and β_4 = Beta coefficients

X_1 = Academic Based IGAs

X_2 = Service Based IGAs

X_3 = Production Based IGAs

ε = Error term

$Y = 12.874 + 0.279 \text{ Academic Based IGAs} - 0.563 \text{ Service Based IGAs} + 2.847 \text{ Production Based IGAs}$

The equation indicates that, when service based IGAs changes by one unit, the financial performance of public universities reduces by 0.563, this indicates that it has a negative relationship, and when production based IGAs changes by one unit (ie 100%), financial performance increases by 2.84, this has a positive relationship

Results from Table 4.5 shows out of the six regressors of IGAs (academic-, service-, and production-based), only two were statistically significant at $p < 0.1$ (acceptable p -value for small sample of less than 100).

Two variables on academic-based IGAs and another two variables on service-based IGAs were found not to be statistically.

Respondents who reported that the financial performance of the university was strong had 94 percent higher chances of agreeing that the university financial position is highly dependent on academic-based IGAs.

Respondents who reported that the financial performance of the university was strong had 92 percent lower chances of agreeing that the university established production-based IGAs to supplement income from other source.

Respondents who reported that the financial performance of the university was strong had 54 percent lower chances of agreeing that production-based IGAs are insignificant to the financial performance of University.

5. SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the study, conclusion drawn from the findings, recommendation and suggestions for further research based on the research findings.

5.2 Summary of the findings

The study investigated the relationship between Relationship between income generating activities and financial performance of public universities in Kenya. The studies found that, majority of the respondents were in the age bracket of 24 and 54 years. In terms of gender, the study found that majority of those who took part in the survey were male. The study also found that most of the respondents were Accountant who had degrees as their highest qualification. On the time the respondents had been working in the IGAs section, it was observed that majority had been working in their respective areas for a period between 2 and 13 years.

Conclusion

The researcher concludes that academic based IGAs have little significant influence in financial performance of public universities, since the monies generated are mostly used in improving infrastructures in public universities, little is seen in enhancing conducive learning environment, it was also concluded that public universities, relies heavily from income generated from Academic activities

Recommendations

The study recommends that management of all public university should ensure that, there is transparency on all monies collected from Academic Based IGAs, so as to enable universities to run it activities smoothly and to enhance conducive learning environment. This can be done by ensuring that, they improve on staff's morale, and by paying their part-time lectures on time so as to attract many self sponsored student, who will earn Universities a lot of income.

The study recommends that, public Universities should introduce more units which provide services in the institution, so as to increase cash flow in the Universities

Suggestions for Further Research

From the analyzed data it is clear that Academic Based and Service Based IGAs do not add much in financial performance in public Universities, some of the recommendations that can be of help to Public Universities is to assess the profitability and efficiency of IGAs in public

Universities, and also to strengthen the findings further research can also be done on factors hindering the take off potential IGAs

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