THE EFFECT OF EXP ANSI ON STRATEGIES ON PERFORMANCE OF CHARTERED PRIVATE UNIVERSITIES IN KENYA

EURIDICE GAKII MUKANGU

Thesis submitted in Partial Fulfillment for the Degree of Master of Business

Administration of Kenya Methodist University

June,2013

ABSTRACT

The expansion of higher educational opportunity globally is not a new trend. However, the current renaissance in the growth of university education is unprecedented in its scope and vigor. Kenya is one of the countries that represent perhaps the most extreme version of this explosive growth. Kenyan universities, both private and public have embarked on a rapid expansion of their programs and decentralization of campuses leading to the rising enrollment rates despite the diminishing financial resources. The growth of universities in the face of budgetary deficits and man power surpluses is largely a product of insatiable demand for higher education. Kabaji (2010) in his study confirmed that management as one of major challenges facing universities, and asks for rethinking strategies on university education. He noted existence of negative ethnicity and intolerance from university administrators contributed negatively to the performance of universities as institutions of higher learning. His view was that university administrators have to create conducive environment for the generation of knowledge. This study sought to examine the effects of expansion strategies on performance of private chartered universities in Kenya by conducting a survey of 14 private universities in Kenya. In further detail, this study examined how market penetration, product development, market development and diversification, from the responses of Academic registrars, financial controllers and heads of marketing, whose accounts revealed the effect of expansion strategy on performance of the private chartered universities in Kenya. A descriptive survey was carried out using a questionnaire. Due to the small size of the of the study population, the researcher conducted a census of the 14 private universities in Kenya. Simple random sampling was used for the study since it provided an equal xi