

REVENUE DIVERSIFICATION AND SUSTAINABILITY OF PUBLIC UNIVERSITIES IN KENYA

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International Academic Journal of Arts and Humanities (IAJAH) | ISSN 2520-4688

Received: 19th February 2026

Published: 3rd March 2026

Full Length Research

Available Online at: https://iajournals.org/articles/iajah_v2_i1_162_188.pdf

Citation: Bett, J., Kosgei, M. (2026). Revenue diversification and sustainability of public universities in Kenya. *International Academic Journal of Arts and Humanities*, 2(1), 162-188.

ABSTRACT

Kenya's public universities are major drivers of economic growth because they develop human capital, encourage innovation, and interact with the community. These institutions are essential in advancing equitable and sustainable development as well as Kenya's shift to a knowledge-based economy. Thus, public universities' continued existence is essential to Kenya's economic development. Universities seem to be stabilized when their revenue sources are diversified because they are less susceptible to changes in government financing. Government financing is provided to public institutions to support their sustainability; nonetheless, there has been an increasing funding deficit recently which threatens the sustainability of the institutions. Government funding to universities under the Differentiated Unit Cost (DUC) model has been steadily decreasing over the past few years, falling in 2022 compared to the previous years. Therefore, public universities' ability to continue operating is under jeopardy, which calls for the current inquiry. This research sought to explore the effect of revenue diversification particularly consultancy services and public-private partnership on sustainability of public universities in Kenya. The Resource-based and contingency theories provided the framework upon which the study was based. The study utilized a cross-sectional survey research design. The target population consisted of staff members of Kenya's state universities. Teaching and non-teaching staff was the units of observation, and the university was the unit of analysis. A simple random sampling technique was used to choose 241 non-teaching staff members and 143 teaching

staff members from the sample size of 384 respondents. Primary data which was sourced through the administration of questionnaire was utilized as the main data source for the study. The research instrument's validity was assessed using content and face validity while reliability was tested using Cronbach Alpha with a coefficient of 0.7 as the threshold. Descriptive and inferential statistics was used to analyse the data and results was presented in the form of table, charts and graphs. To ensure the accuracy and reliability of the estimates a number of diagnostic tests was carried out which include multicollinearity, normality, heteroscedasticity and autocorrelation every ethical guideline was appropriately adhered to. Findings demonstrated that consultancy services had positive and significant ($\beta=.189$, $\rho=.000$) effect on the sustainability of these Kenyan public universities. Public-private partnership revealed a significantly positive ($\beta=.252$, $\rho=.000$) effect on the sustainability of Kenyan public universities. Further results indicated that philanthropic donations had positive but insignificant ($\beta=.055$, $\rho=.434$) effect on the sustainability of Kenyan public universities. The study recommends that consultancy services should be institutionalized within the public universities by creating specific consultancy bureaus and definite contractual structures. There should be incentives that will encourage staff participation in consultancy, such as revenue sharing programs and professional recognition. Project writing, contract negotiation, and service marketing training need to be given priority to enhance uptake and efficiency. Public-private partnerships

must be prioritized due to their potential in providing a central means of mobilizing resources in universities. Institutional and national policy frameworks must be transparent and accountable and share risks fairly in PPP contracts. Cooperation in fields like infrastructure, ICT development, and research commercialization needs to be intensified, and the government ought to

offer an environment of facilitation in the form of favorable legislation and checks and balances.

Keywords: Effects of Consultancy Services, Public-Private Partnership on Sustainability of Public Universities in Kenya.

INTRODUCTION

It is widely acknowledged that funding education is essential to a nation's progress. Numerous advantages are linked to higher education quality, including higher productivity, decreased income inequality and poverty, enhanced economic growth, and better health (Bansal, 2020). People who receive education and training acquire the attitudes, abilities, and knowledge necessary to accelerate economic growth. People who receive an education become more engaged and active voters, which benefit other people by enhancing the democratic process. It also promotes democratic principles and raises tolerance, which are critical for political development. For these reasons, the government of emerging nations bears a portion of the expense of providing educational services. When the education sector has a variety of stable financing sources, it frequently has the resources to carry out a range of tasks and has a favorable effect on overall economic growth. Education institutions must produce their own resources in order to diversify their financial sources. These resources may come from expert or research services, programs for continuing education leading to a degree or not, or services related to specialized occupational training (World Bank, 2024).

In general, colleges serve as impartial talent scouts, idea factories unrivaled in the industry, where the enthusiasm, ingenuity, and idealism of brilliant minds - young and old - are channeled toward solving problems and promoting social and economic good. Given that worker skills and competencies directly impact an economy's productivity and competitiveness, university education is widely acknowledged as a catalyst for economic growth and development. Economic prosperity and education are sometimes closely correlated (Sui, 2020). It fosters innovation and assists in the availability of skilled workers, both of which can provide new opportunities and strengthen businesses. A college degree is, in every aspect, one of the most crucial requirements for successful development. No nation can achieve sustainable economic growth unless it makes large investments in its human capital. Both people and society benefit immensely from it, and their lives are improved. Education boosts people's productivity and creativity and promotes entrepreneurship and technological progress.

University education in particular is seen as a major driver of modernization and development in emerging nations. An increasing amount of evidence suggests that a country's efforts to promote social cohesion and increase social capital—which are key factors in determining economic growth and development—depend on university education's ability to empower domestic constituencies, build institutions, and foster favourable regulatory frameworks and governance structures (Chankseliani, Qoraboyev & Gimranova, 2021). In addition to the high-level abilities needed for every labour market, it provides the advanced training needed for a variety of professions, such as educators, doctors, nurses, engineers, humanists, entrepreneurs, and social scientists. These educated individuals develop the aptitude and critical thinking skills that support local economies, uphold civic society, educate the next generation, manage effective government, and make important decisions that affect entire communities. A university education is thought to be a significant investment in the development of human capital. Building human capital through education, increasing their body of knowledge through research and development, and promoting the use and dissemination of knowledge through engagement with knowledge consumers are all duties of universities (Sui, 2020).

Kenya's public universities are major drivers of economic growth because they develop human capital, encourage innovation, facilitate the transfer of technology, support entrepreneurship, offer policy recommendations, make infrastructure investments, and interact with the community. These organizations are essential in advancing equitable and sustainable development as well as Kenya's shift to a knowledge-based economy (Murage, 2022). A pool of highly qualified professionals with specialized knowledge and the capacity to promote greater output of financial capital, human capital, and other resources in their particular capabilities are produced by Kenya's public universities. These experts frequently have the capacity to advance financial and production resources as well as offer national services that honour Kenya's rich cultural legacy. Public universities produce responsible graduates who have the aptitude and motivation to support national services and advance the nation. In the process, these graduates' advance information, disseminate it, and foster intellectual and cultural advancement throughout the nation in order to generate top-tier labor in the scientific and technical domains to satisfy the demands of the country's social, cultural, and economic development (Cyrus, Henry & Elias, 2024).

Sustainability is defined as achieving a balance between social progress, environmental preservation, and economic growth while addressing current demands without endangering those of future generations. The underlying premise is that there are scarce resources and ought to be used carefully, considering long-term objectives and the effects of resource allocation (Santander, 2024). Being able to maintain a process for a long time is known as sustainability. Keeping natural or physical resources from depleting so they can be used over an extremely long time is the aim of sustainability in commercial environments. Though it has ties to the environmental movement, the notion that sustainability is only about the environment is untrue. To put it more colloquially, people,

profits, and the planet are the three pillars of sustainability: economic, environmental, and social. Sustainable practice aims to positively impact at least one of those areas. The effects a firm has on the environment and society are two indicators of sustainable business practices (Mollenkamp, 2023).

In Kenya, a university education represents the highest level of education available. Public universities are recognized as higher education establishments established by Kenyan legislative acts with the purpose of offering educational services (Ministry of Education, 2022). To address issues about service quality delivered by higher education, the Commission for University Education (CUE) was founded in 2012. The majority (91%) of Kenya's public universities face a variety of difficulties despite CUE's efforts, including issues with corporate governance, declining service performance, competition, and capacity development (CUE, 2022). Government capitation, which has been gradually rising over time, has continued to be beneficial to public institutions. The total sum allocated for the 2018–19 fiscal year was Ksh 38.15 billion. This increased even further to Ksh 41.18 billion for the 2019–2020 fiscal year and Ksh 41.97 billion for the 2020–2021 fiscal year. It increased even more to Ksh 43.84 billion and Ksh 44.02 billion for 2022 and 2023. Rather than covering 80% of students as planned, government capitation covers about 57% of students currently. There is not much left over to raise the bar for quality because most of this money is spent for ongoing expenses. As a result, there is not enough staffing and inadequate infrastructure and physical resources (Samoei & Makau, 2022).

Kenya's state universities' financial stability has deteriorated as enrollment has climbed, from 546,699 in 2020–2021 to 562,066 in 2021–2022, with 600,000 students expected in 2022–2023 (Murage, 2022). Government financing is provided to public universities; nonetheless, there is an increasing funding shortfall. The government cut financing for COVID-19 by twenty-six percent. Furthermore, the government now only pays 49.5% of each student's tuition, despite the ideal requirement that it cover 80% of the cost. In the past five years, the budget gap at public colleges has more than doubled. With the DUC model, government funding to universities has been progressively decreasing over the past few years, falling as low as 48.11% in 2022 from 66.4% in the fiscal year 2018/2019. As a result, as of February 2022, state universities have accumulated Ksh 65 billion in unpaid bills and are unable to pay their statutory duties, which include paying taxes, health insurance, and pension system remittances. Universities have raised the price of student living and tuition in an effort to reduce the deficit (Okwemba, 2023).

Diversification is an important tool for sustainability especially for institutions of learning. Businesses may expand into new areas, improve their product lines, and offer new services by diversifying their sources of income, which will help them attain their greatest potential. One strategy to increase the sustainability of institutions of higher learning is revenue diversification (World Bank, 2022). In the end, revenue diversification is becoming a global phenomenon, particularly in higher education. By lessening their susceptibility to changes in government funding and the shocks that come with multi-party politics during elections, colleges seem to be stabilized when their

revenue sources are diversified. Revenue diversification programs have the potential to significantly improve higher education management systems' efficiency if they are executed wisely. This would lead to more autonomy, accountability, and self-reliance as well as economic growth (Orgil, 2023). The revenue diversification strategies under consideration include consulting services, public-private partnerships, and charitable contributions.

Companies can expand into new areas, improve the products they offer, and offer new services by diversifying their revenue sources, which helps them attain their full potential. By putting less of your eggs in one basket, you might lessen the likelihood that any one thing will flourish for your business. Although revenue diversification techniques are very valuable, they are not always simple to put into practice. Diversifying revenue streams can benefit firms by lowering risk and dependency while also improving cash flow and client retention. Bolster your brand's visibility; acquire a competitive edge Cut back on the expense of acquiring new customers (Paar, 2023). The process by which businesses allocate their revenue to markets and product lines other than their primary operating areas is known as revenue diversification. These diversification metrics establish the degree to which the company is prepared to forfeit its earnings to ventures beyond its area of expertise. Public institutions are employing diversification as a tactic to control risks and enhance performance. The revenue diversification strategies under consideration include consulting services, public-private partnerships, and charitable contributions (Segal, 2023).

Consulting services are the provision of knowledge or strategic advice for consideration and decision-making. Consulting services offer counsel, direction, and assistance at every stage of a project's lifecycle. Professionals with years of experience who can evaluate and counsel on your business offer consultancy services. They can offer strategic counsel, assist you in pinpointing areas that need work, and ensure that every process is operating at maximum efficiency (Ameer, 2023). In order to establish research with industry and achieve early-stage impact, consulting is essential. Additionally, it may lead to longer-term research partnerships. Since consulting helps the university achieve its goal of encouraging enterprise, innovation, and external involvement, it is acknowledged and encouraged. Consultants can assist an institution achieve its objectives by saving time and money by using their extensive knowledge base and institutional expertise (Collins, 2024)

Agreements between a private business and a governmental organization known as public-private partnerships (PPP) can be used to fund, build, and oversee projects such as public transportation networks, parks, and convention facilities. PPP can finance a project, allowing it to begin or finish earlier. They give the public sector a more sophisticated and economical approach to risk management than is usually possible with traditional input-based public sector procurement because of their emphasis on public service outputs. (International Monetary Fund, 2024). The benefit of a PPP is that taxpayers may receive better value for their money thanks to the financial savvy and

management prowess of private companies. The quality, efficiency, and competitiveness of public services can all be raised via PPP, when suitable cooperative agreements are used between the public and commercial sectors. When fiscal restraints are enforced, it can provide extra revenue to support the public sector's limited capabilities. Maximizing the operational efficiencies of the private sector can accelerate infrastructure development and enhance public quality (Brown, 2024).

Philanthropic donation is the voluntary donation of money, goods, or services for a charitable cause in an effort to better the lives of others or advance a certain cause. The idea of philanthropy is to use one's riches to further good deeds for society, beyond one's own immediate or personal gain. Among the many important features of charitable giving are their voluntariness, diversity of forms, and long-term sustainability. Supporting humanitarian organizations, furthering social causes, and tackling societal issues all depend heavily on philanthropic gifts (Hayes, 2023). Philanthropy has the ability to create good change and aid in the development of more inclusive, equitable, and sustainable communities by utilizing resources, skills, and networks. Depending on the objectives and circumstances of the contributors as well as the specifications of the organizations that receive the donations, there are several methods to quantify philanthropic contributions (Fidelity, 2024). Philanthropic donations were measured in this study using volunteer activities, charitable contributions, funding for educational initiatives, and attendance at local athletic events.

Statement of the Problem

Prospective students find public institutions intriguing due to their affordability and wide reach into neglected and rural areas, which are often unreached by private universities. Accordingly, public universities are seen as providing higher education to the underprivileged and are essential to the nation's economic growth as well as the development of skilled human capital (Orgil, 2023). Thus, public universities' continued existence is essential to Kenya's economic development. One strategy to increase the sustainability of higher education institutions is revenue diversification. Universities seem to be stabilized when their revenue sources are diversified because they are less susceptible to changes in government financing. Government financing is provided to public institutions to support their sustainability; nonetheless, there is an increasing funding deficit. Government funding to universities under the Differentiated Unit Cost (DUC) model has been steadily decreasing over the past few years, falling as low as 48.11% in 2022 from 66.4% in the fiscal year 2018/2019. Although the government should ideally pay for 80% of each student's tuition, it only pays for 49.5% of it at the moment (Okwemba, 2023). Therefore, public universities' ability to continue operating is under jeopardy, which calls for the current inquiry.

Studies relating to revenue diversification and sustainability of Kenyan public universities have been done in many different ways. Emmanuel (2023) investigated the relationship between organizational performance and management consulting, using Lafarge Africa Plc, Calabar, as a case study. The results indicated a strong correlation

between Lafarge Africa Plc's, Calabar, performance and management consultancy. Aina, Olateju, and Balogun (2022) looked into the impact of corporate philanthropy (CP) on the performance of non-profit organizations in a select group of non-profit (political) institutions in Southwest Nigeria. The results show that corporate generosity enhanced Nigerian political organizations' effectiveness. Kariuki (2021) investigated how philanthropic responsibility affected business performance. The outcome indicated a noteworthy link amongst corporate social responsibility and philanthropic responsibility in businesses. Although a number of research have been done on the effects of revenue diversification and the sustainability of public universities, there is not any solid proof that there is a significant relationship (good or negative) between the two. Depending on the country, the type of analysis used, and the revenue diversification classification, different results and evidence are presented. This investigation, which aims to bridge the gap of inconsistent results, was spurred by the research contradictory findings. This is in an effort to determine definitively if revenue diversification promote or hinder Kenya's public institutions' ability to remain sustainable.

Objectives of the Study

- i. To explore the effect of consultancy services on sustainability of public universities in Kenya.
- ii. To examine the effect of public-private partnership on sustainability of public universities in Kenya.

LITERATURE REVIEW

This section delved into different theories providing anchorage for the study before elucidating the empirical studies undertaken with the aim of bringing out gaps that the study sought to fill. It also delved into the conceptual framework to bring out the theoretical relationship between the dependent and independent variables.

Theoretical Review

Resource Base Theory

Barney (1991) was the first to codify the resource-based theory. The theory suggests that instead of concentrating on the outside world, companies should look within their own walls for sources of competitive advantage. According to the notion, the core factors influencing a firm's performance and competitive advantage are its resources. The thesis highlights the role of a firm's internal environment in generating competitive advantage. The resources that businesses have built to compete in the marketplace are highlighted by the theory. The organization's internal capacity, or its resources and capabilities, is the foundation of this conceptual analysis. Competencies that are unique and the primary factors influencing an organization's performance are what make it competitive (Barney, 1991). The resource-based view investigates whether producing a product internally or with a focus on the market is more cost-effective for an organization. Wang (2014) pointed out that the firm's resources were first divided into three categories: financial, human, and physical, during the theory's early development. The definition of an

organization's resources was expanded to encompass technology (technical know-how), skills, and knowledge.

The theory analyses sources of competitive advantage based on two presumptions. This approach initially assumes that the resources that corporations possess within an industry or strategic group may vary. Secondly, it is predicated on the possibility that resource heterogeneity will endure across time due to the imperfect mobility of resources across enterprises (i.e., certain resources are hard to get and replicate and cannot be exchanged in factor markets (Conner & Prahalad, 2011)). Resource heterogeneity, sometimes referred to as uniqueness, is thought to be a requirement for a resource bundle to offer a competitive edge (Chukwuma, 2013). The resource-based perspective's central claim is that successful businesses will eventually acquire a competitive advantage by building distinctive and special capabilities, many of which may be negligible. The first big, uncertain investments that allow companies to capitalize on the measurement and scope opportunities are the first steps in establishing capability (King, 2007). It follows that the foundation of the resource-based perspective is to guarantee that a firm maintains its competitive advantage by offering various cutting-edge offerings. Revenue diversification can help accomplish this performance in order to meet predetermined aims and objectives. In the event that an organization aspires to achieve high performance standards in accordance with many critical operational domains, it is vital to do an internal capacity analysis to guarantee that this does not compromise its capability to diversify income streams for superior services, ultimately leading to enhanced performance.

When shared across organizations, managerial experience has the ability to generate value in the resource-based approach (Miller, 2006). If effectively handled, this knowledge can help a university's various business divisions. A university with ample resources, particularly in terms of manpower and infrastructure, may also use the collaboration strategy to share with its rivals in order to gain a larger market share, which allows the university to realize economies of scale (Kariuki, Ombaka and Kiumbe, 2021). The theory has drawn criticism for lacking operational validity due to its excessive abstraction. For example, because physical or tangible resources are limited to usage in a small number of related businesses, they are quite rigid. Consequently, it is highly unlikely that a university engaged in unrelated diversification if it had surplus physical capacity Chatterjee and Wernerfelt (2001). This is due to the fact that many tangible or physical resources have relatively rigid uses, whereas some flexible uses may also have restrictions (Miller, 2006). Given the significance of human resources, such as skills and knowledge, as assets for the company, the study employed resource-based theory. The role that these resources play in the organization's competitive advantage and favorable performance helps to clarify why businesses use consultants, whether they are internal or external. Using the expertise and experience of consultants can assist a company in achieving its goals while they discover or enhance their own capabilities. The study is grounded in this theory, which also prompts research questions.

Contingency Theory

The theory traces its origin to Lawrence and Lorsch (1967). According to the theory, organizations function in uncertain contexts, and in order to succeed in these settings, preparation and execution are necessary. The idea also emphasizes that strategic planning must be implemented consistently by an organization since no planning is ever effective and permanent. Consequently, the idea suggests that in order for an organization to achieve its goal, it is essential that it continuously implement its strategic plans. The notion thus rests on the realization that an organization's internal qualities need to best fit the environment in which it functions. According to the notion, an organization should constantly implement various plans and strategies in order to satisfy its demands and goals. Employing diverse tactics helps organizations adapt better to a changing environment. The organizational theory known as contingency theory holds that there is no one correct method to lead a team, run a business, or make choices. Rather, the internal and external circumstances determine the best path of action. Various contingent leaders proficiently employ distinct leadership philosophies in appropriate contexts (Dobák–Antal, 2010).

Otley (1980), a prominent proponent of contingency theory, argues that the foundation of the contingency approach is the idea that there isn't a single accounting system that is universally appropriate and fits all companies in all situations. Otley goes on to say that an organization's specific circumstances dictate what characteristics make an accounting system appropriate. Therefore, in order to build a good match, contingency theory needs to precisely identify those components of an accounting system that are tied to specific stated circumstances. Although different organizations rely on significant and influential contingent situations, the core idea of contingency theory is that no business can utilize a performance management structure that is remarkable enough to be adopted by all organizations at all times. Rather, strategies, external variables, innovation, technology, and organizational activities are contingency factors that impact organization performance management. Additionally, it has been discovered that contingency factors, such as a hotel's size, quality, and accessibility to locations like towns and airports, have an impact on its performance (Donaldson, 2001).

These days, a vital foundation for studying organizational design is provided by the contingency theory. It argues that the most effective organizational structures are those that can be adjusted to changing conditions. Staticity lies at the core of structural contingency theory because it addresses how excellent performance results from a fixed point at which structure and contingency align (Woodward, 1965). According to contingency theory, various solutions might work well in various situations. Since the theory aims to show that diverse situations require distinct organizational structures rather than spreading widely applicable organization management concepts, this might be considered one of the theory's major advances (Baranyi, 2001). The applicability of the theory is further demonstrated by Dobák (2010)'s usage of the contingency method, which offers the possibility of making a strategic decision. Organizations are open

systems designed to plan, balance, and meet internal demands while concurrently adapting to the external environment, which makes this theory relevant to the current research.

Empirical Review

Consultancy Services

Emmanuel (2023) investigated the relationship between organizational performance and management consulting, using Lafarge Africa Plc, Calabar, as a case study. The study, which involved 243 workers at Lafarge Africa Plc in Calabar, used a cross-sectional survey approach. Purposive sampling was utilized to select a sample size of 145 for the investigation. Data was collected from the respondents using a standardized questionnaire, and the Pearson Product Moment correlation approach was utilized to test the results. The results indicated a strong correlation between Lafarge Africa Plc's, Calabar, performance and management consultancy. Based on the findings, it was determined that the rapid advancement of technology is one of the reasons why management, among other things, employs information technology consulting more frequently. While Sustainability of Kenya's public universities was used for the current investigation, organizational performance in Lafarge Africa Plc, Calabar, were adopted for the research.

The impact of management consulting and technology on digital transformation was studied by Williams and Triest (2023). The investigator contacted possible responders by means of alumni lists obtained from two of the world's top 100 international business schools. A PSF practice level dataset including 122 observations, divided into two categories: technology consultants and management consultants, is used to analyze the influence of these characteristics. We discover that while innovativeness and learning are advantageous to technology consultants' performance, they are irrelevant to management consultants, who prioritize client focus. According to the study's findings, consulting services improve digital transformation. While the previous study based on digital transformation of alumni lists obtained from two of the world's top 100 international business schools, the current investigation exclusively examined Sustainability of Kenya's public universities.

Pokki-Riikonen (2023) explored the effectiveness and impact of data-driven management consulting on consulting company client companies. The study data was composed of consultation projects that outlined the objectives of the collaboration and were authorized by the participating clients. In addition, six months following the commencement of the partnership, customer satisfaction surveys were carried out. The revenue and profitability data of the client enterprises were used in the linear regression analysis, together with market indices generated by Statistics Finland. According to the research findings, clients of consulting firm A are generally satisfied when it comes to reaching their goals. A major explanatory variable with a favourable coefficient was the establishment of an economic target when working with consulting firm A, according to the outcome of the estimation technique used to model the scaled revenue development

of clients. The latest inquiry was done for Sustainability of Kenya's public universities, whereas the previous investigation was completed for consulting firm client companies in Finland.

Makumi (2022) examined the connection between SMEs' performance and management consultancy use, focusing on the top 100 SMEs. The investigation's target firms were the top 100 Kenyan SMEs listed by KPMG and NMG in 2020. Data collection was done through questionnaires. Forty-two of the 100 sent questionnaires were correctly completed and returned to the investigator. The ANOVA results demonstrated that, when taken into consideration generally, management consulting services have a favourable and notable influence on SMEs' performance. The outcomes also showed how management consulting affected performance. As a result, the study concluded that management consulting services are not frequently used by SMEs in Kenya. The survey goes on to say that in order for SMEs to significantly impact performance, they must integrate several consulting services. The study's main focus was on effectiveness of SMEs in Kenya. Sustainability of Kenya's public universities was the subject of this study.

Public-Private Partnership

Liu, Clegg, and Pollack (2024) investigated the impact of PPPs on creativity. An exploratory, qualitative, interpretive investigation approaches, was utilized in the inquiry. Data for the study was collected through interviews with 36 well-known PPP experts in Australia. The findings showed that PPP significantly and favourably influences innovation. PPP initiatives can provide as a launching pad for investors to profit indirectly from the project and the public sector asset, turning the project into a resource that they can utilize to their benefit. While Sustainability of Kenya's public universities was used for the current study, creativity of thirty-six prominent PPP specialists in Australia were adopted for the research.

Habsi and Ullah (2022) looked into how public-private partnerships (PPPs) might help the port industry achieve the best potential social and economic results. Drawing from empirical research utilizing series data spanning 32 countries from 1995 to 2006, According to the study's findings, PPP implementation and application have a significant economic influence on the port sector since they have the potential to generate more funding sources for infrastructure and a variety of payment options in addition to employment creation. It may also have a favourable effect on how useful the ports that are accessible in emerging nations are. Additionally, it has been shown that labor productivity in PPP directly affects efficiency, making it one of the program's greatest advantages. The aforementioned investigation considered economic outcomes for the port sector for 32 countries while the present investigation centered on Sustainability of Kenya's public universities.

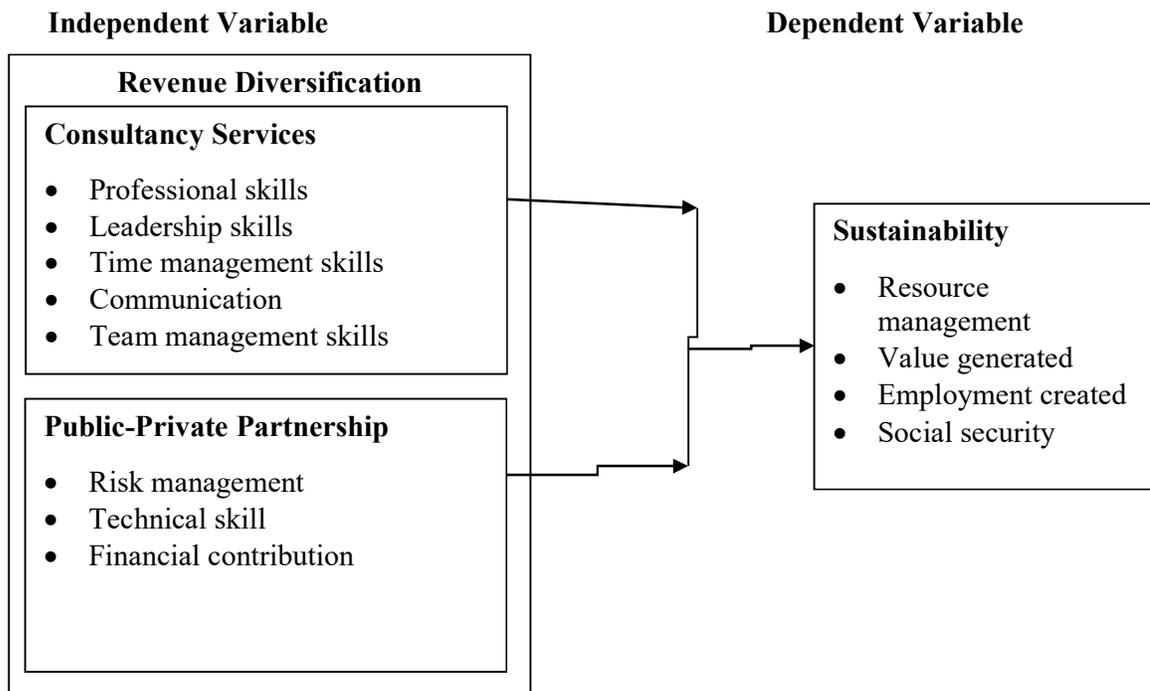
Ngwaba (2021) studied how Nigeria's economic growth was impacted by public-private partnerships between 2000 and 2018. The study found that public-private partnerships

significantly and favourably impacted Nigeria's economic growth over the study period using Ordinary Least Squares (OLS) regression analysis. This is in light of the fact that the Nigerian economy will contract if public-private partnerships continue to decline. Based on the outcome, the investigation came to the conclusion that the federal government can support initiatives using public-private partnerships as a benchmark for raising economic growth. While Sustainability of Kenya's public universities for the year 2025 was used for the current study. Nigeria's economic growth for the year 2000-2018 was adopted for the previous research.

Mungai (2021) investigated how Kenyan commercial state-owned enterprises' project effectiveness is impacted by PPP. The population of the study comprised all 32 commercial Kenyan businesses that conduct business in Kenya. The researcher employed a descriptive methodology. Using the purposive sample approach, the researcher included three managers from each institution, for a total of 102 participants. Using questionnaires, primary data was gathered. The data was estimated using descriptive and inferential statistics, as well as frequencies. The regression analysis's findings indicated a robust and advantageous link amongst PPP and project performance. The establishment of financial contribution, risk mitigation, and accountability mechanisms by Kenyan commercial state enterprises can be inferred as a significant factor in determining the institutions' project success. Commercial state-owned enterprises' project in Kenya was assessed in the previous study. Sustainability of Kenya's public universities was examined in this present study.

Mary and Noor (2020) explored how public-private partnerships influence the project success of state firms in Kenya. The investigation utilized a descriptive research approach. Using a stratified random selection technique, the study selected a sample size of 127 responses out of the 187 target audience members. Semi-structured and structured questionnaires were utilized in collecting the investigation's data. The inquiry employed both descriptive and inferential statistics to show the relationship between the variables. The outcome showed a positive and significant correlation between PPP and project performance among Kenya's state businesses. According to the study's findings, state firms' performance in PPP projects will rise in proportion to the number of feasibility studies conducted. The aforesaid investigation majorly on the basis of how Kenyan state businesses' project performed. Therefore, the recent investigation was based on Sustainability of Kenya's public universities.

Conceptual Framework



RESEARCH METHODOLOGY

This study employed a cross-sectional survey research design. The purpose of this study is to ascertain the impact of revenue diversification on the long-term viability of public universities in Kenya. Structured questionnaires and/or statistical surveys are used in cross-sectional survey research to collect information on people's attitudes and behaviours (Cooper, 2001).

According CUE (2024), there are 31 public universities in Kenya. However, the present investigation focused on 4 public universities in Nairobi County. This includes Cooperative University of Kenya, Multimedia University, Technical University of Kenya, and University of Nairobi. These universities were selected purposely due to their reflection on the major categories of university in Kenya that include: a long established comprehensive university; a constituent university college that has become a full university; a former parastatal training institution that has been transformed into a public university; and a cooperative-sector-sponsored public university. This sampling offers a representative and wide sample of research to explore the strategies of revenue-diversification and financial sustainability within the Kenyan heterogeneous public university environment. The four target institutions' 3401 teaching and 5720 non-teaching employees who meet the following criteria—currently employed and working in the university, holding a bachelor's degree or higher, and having received training relevant to their field of specialization—made up the target population. This facilitates

the collection of reliable and pertinent data to ascertain how revenue diversification and sustainability are related.

384 respondents made up the sample size that was selected from the target population that have met the criteria highlighted above; out of the sample size 143 was teaching personnel and 241 was non-teaching staffs. Stratified random sampling was the method that was used to select the study sample in the investigation. Teaching staffs and non-teaching personnel are the two distinct strata into which the university population was further divided after first classifying them into groups.

The researcher used questionnaires to compile raw evidence. A Likert-scaled questionnaire was designed by the researcher to best collect responses from study participants. According to Mugenda & Mugenda (2003), surveys are convenient, time-saving, and privacy-preserving. Hair, Bush, and Ortinau (2010) acknowledged that research questionnaires are the primary instruments used in the compilation of unprocessed information.

Regression analysis as well as descriptive analysis was used to analyse the data. There was a combination of qualitative and quantitative analysis. To investigate the link amongst the study variables, a statistical modelling technique known as regression was employed. The quantitative information gathered from the survey was coded and examined using the Statistical Package for Social Sciences (SPSS). Descriptive statistics was performed using SPSS in order to display the quantitative data as tables and graphs that are based on the main research objectives.

RESULTS AND FINDINGS

Out of the 317 questionnaires sent out, 317 were returned, as noted in Table 4.1, providing a response rate of 82.6 percent and 67 (17.4 percent) questionnaires were not recovered during the field survey. This figure is much higher than the traditional standard of 50 percent, usually considered sufficient in a survey-based study, and is close to the best practice of 100 percent that is not often met in a field study (Holtom et al., 2022).

Data on gender distribution indicated that the mean proportion of the respondents comprises 57.7 males and 42.3 females. This indicates that the majority of the university administrators, staff, or respondents in this study were male, implying that there were more males in managerial or decision-making roles in the Kenyan public universities.

Data on age distribution indicated that no respondent was younger than 18 years, 27.4 percent were aged 19 to 28 years, 30.6 percent aged 29 to 38 years, 30.3 percent aged 39 to 48 years, and 11.7 percent aged 49 years and above. The distribution demonstrates that most of the respondents belong to economically active and professionally productive age categories (29 years old and older, 48 years old and older), occupying more than 60 percent of the whole population. This means that a majority of the participants in the study were at an age in their careers where they experienced professional experience and

managerial duties, thus able to value and impact the essence of revenue diversification in the sustenance of public universities.

Data on educational levels attained by the respondents indicated that 20.5 percent had a degree, 71.0 percent had a master's degree, and finally, 8.5 percent had a doctorate degree. The distribution shows that the respondents were mostly well educated, most of them having postgraduate qualifications. This signifies that the sample consisted of individuals who were highly educated and research-competent; hence, a high intellectual and managerial ability in assessing sustainability concerns within the universities. The high dominance of respondents who attained a master level undergraduate degree indicates that the majority of the respondents were mid-level administrators and academic employees, whereas the respondents who attained the doctoral level, although fewer, were probably the senior academics and administrators.

Data on the years of operation in the university indicated that 14.5 percent of the institutions were 7-11 years in operation, 55.2 percent were 12-16 years in operation, and 30.3 percent were 17 years and above in operation. It means that most of the sampled universities (more than half) are in the middle-aged age of 12-16 years of existence. This is aligned with the accelerated growth of the public universities in Kenya in the early 2000s and 2010s that produced numerous institutions, which are currently starting a period of consolidation. Universities that have a life span of 17 years or more, which is nearly a third of the sample, are probably more established institutions with systems of governance and resource mobilization that are mature.

Revenue Diversification

The concept of revenue diversification is a modern strategic approach to institutional financial management that prepares and empowers public universities with the ability and readiness to produce various sources of income other than the customary state subventions. It assigns the institutions the capability and proficiency to make knowledgeable and sustainable decisions when it comes to the utilization of financial assets, as well as protect them against the dangers of overreliance on government subsidies. It encompasses different streams of revenues like consultancy services, public-private partnerships (PPP), and philanthropic donations, all of which help universities to cope with the changing financial landscape and to become more responsive to national development needs and global higher education trends.

Consultancy Services

Consultancy services can be defined as the use of professional knowledge, research results and special skills by universities to create more sources of revenue, industry connections and make the institutions more relevant. This allows public universities not to rely on tuition fees and government funding as the only means of diversification, which stabilizes their financial base and promotes sustainability. Universities can use consultancy to focus on the commercialization of knowledge, wiser allocation of intellectual resources, and can prioritize more on the development of partnerships with

government agencies, industries, and community organizations. Through consultancy, institutions are not only able to gain financial rewards but also increase their influence in society by providing evidence-based solutions to the burning developmental issues. This was achieved by obtaining the views of the respondents, which are presented in Table 1.

Table 1: Consultancy Services

Statement	Percentage					Mean	Std. Deviation
	SD	D	N	A	SA		
In their line of work, university consultants are professionals.	4.4	5.0	8.8	56.5	25.2	3.9306	.96861
The university consultants uses their professional skills in executing projects in the university	2.5	6.9	15.5	54.9	20.2	3.8328	.91427
There is proof of university consultants working together.	3.2	10.7	7.6	59.9	18.6	3.8013	.96862
Throughout the project, the university consultants effectively manage their time.	2.8	6.3	6.9	57.4	26.5	3.9842	.91907
In the project, the university consultants demonstrate leadership	2.8	10.4	11.7	50.5	24.6	3.8360	1.00548
The university consultants are highly skilled communicators, especially when it comes to executing departmental projects.	2.8	6.9	8.2	58.7	23.3	3.9274	.91977
Average Score						3.8854	0.94930

Source: Researcher (2025)

Table 1 shows the answers to the questions regarding the consultancy services, where the number of respondents who strongly disagreed with the statement indicating that in their field of work, university consultants are professionals was 4.4 percent, and 5.0 percent of the respondents disagreed with this statement. Another 8.8 were neutral. In comparison, 56.5 percent affirmed and 25.2 percent strongly affirmed the statement, yielding a mean of 3.93 with a standard deviation of 0.97. This implies that the sample largely proved the statement that university consultants perform their duty in a professional manner, which increases the efficacy and viability of consultancy as a diversification strategy to support the sustainability of the public universities in Kenya. Other findings were that 2.5 percent of the respondents vehemently objected to the statement that university consultants apply their professional expertise in executing projects at the university, 6.9 percent disagreed, and 15.5 percent were neutral. However, 54.9 percent said yes and 20.2 percent said yes strongly, with a mean of 3.83 and a standard deviation of 0.91. This demonstrates that consultancy expertise has been directly

applied in university projects by many respondents and that it is significant in terms of improving the functionality and financial stability of institutions.

On the statement that there is evidence of university consultants colluding, 3.2 percent strongly disagreed, 10.7 percent disagreed and 7.6 percent were neutral. Quite the contrary, 59.9 percent expressed agreement with the statement, and 18.6 percent strongly agreed. The average was obtained at 3.80 with an SD of 0.97. This observation suggests that collaboration among consultants was identified by the majority of the respondents as a characteristic of university consultancy services, although a minority of the respondents was not convinced that this approach works. By stating that during the project, the university consultants are able to properly manage their time, 2.8 percent strongly disagreed, 6.3 percent disagreed and 6.9 percent remained neutral. The mean, however, was 3.98 and the standard deviation was 0.92 and 57.4 percent and a strong agreement of 26.5 percent respectively. This observation indicates that most of the respondents associated the effectiveness of consultancies with effective time management that contributes to the project delivery and, consequently, the institutional credibility.

On the argument that university consultants in the project are leaders, the observational data showed that 2.8 percent of the respondents strongly disagreed, 10.4 percent disagreed, and 11.7 percent were neutral. Comparatively, 50.5 percent said yes and 24.6 percent strongly yes, with a mean of 3.84 and a standard deviation of 1.01. This shows that the respondents primarily understood consultancy as a leadership-based role that contributes to the managerial and strategic value of universities, hence resulting in sustainability. When asked about the statement that university consultants are highly skilled communicators, in terms of implementing departmental projects, 2.8 percent of the respondents disagreed strongly, 6.9 percent disagreed and 8.2 percent remained neutral. Conversely, 58.7 percent said yes and 23.3 percent said yes strongly and mean of 3.93 and a standard deviation of 0.92. This implies that most of the respondents linked consultancy work to effective communication, which is a critical ability of successful consultancy-based projects.

The results of the items in the questionnaire that were on consultancy services provided a composite of 3.89 with a standard deviation of 0.95. These results indicate that the consultancy services are considered as key drivers that influence the sustainability of the public universities in Kenya, especially in terms of professionalism, teamwork, time management, leadership and communication. This finding aligns with empirical reviews in the included study, with Makumi (2022) stating that consultancy engagements in Kenyan universities had a beneficial effect on the institutional revenues and the decrease in reliance on the government capitation. Equally, Emmanuel (2023) established consultancy as a means of promoting research utilization and institutional resilience, whereas Pokki-Riikonen (2023) has observed that consultancy has enabled universities to connect the creation of knowledge to the real-world industry demands, thereby supporting long-term sustainability. However, other scholars like Muchiri, Erdei-Gally,

and Fekete-Farkas (2022) warned that consultancy could only be effective to produce substantial outcomes when it is institutionalized by a transparent governance structure. This highlights the need to incorporate consultancy as an organized income stream as opposed to an ad hoc practice.

Drawing from the qualitative responses of the respondents, respondents responded that consultancy services have indeed repositioned universities as knowledge-driven institutions that are responsive to societal and industrial demands. Besides yielding financial returns, consultancy activities have fortified institutional reputation, increased academic exposure to real-life problem solving, and enhanced universities' profiles within domestic and international scenes. Subsequently, this has enabled collaborative research opportunities, uptake of innovation practices, and attraction of extra funding streams. Therefore, consultancy is not only a source of revenue but also a vehicle for universities to demonstrate their relevance, expand networks, and enhance their institutional sustainability in reputation and societal impact. The views are in tandem with findings reported by Ogbogu (2011), who reported that consultancy services provide essential supplemental income and enhance the value of Nigerian universities. Similarly, Munene (2015) found that consultancy contributes to financial diversification and institutional reputation and thus reiterated its importance as a core component of universities' African entities' strategies for sustainability.

Public-Private Partnership

Participation in a public-private partnership (PPP) would imply that a university assumes a voluntary position of working in collaboration with private actors in marshalling financial resources, technical know-how, and infrastructural assistance, bearing in mind the long-term viability of the university. This actually enables the institutions to cushion against unexpected funding deficits due to government allotments, and also enables them to increase infrastructure, enhance service delivery, and invest in research and innovation. PPPs can be used by universities to improve efficiency, diversify income sources, and build foresight in financial planning, which helps the institution to emerge as a strong and responsive institution in a competitive higher education environment. The response of the respondents to this was summarized and the results are interpreted in Table 2.

Table 2: Public-Private Partnership

Statement	Percentage					Mean	Std. Deviation
	SD	D	N	A	SA		
The college regularly reviews and updates its risk management plans.	2.2	4.4	5.7	61.8	25.9	4.0473	.83114
The college's procedures for handling its finances are very open.	0.9	3.8	6.6	67.8	20.8	4.0379	.71500
The sustainability of the college is impacted by financial contributions.	1.3	7.9	6.0	59.6	25.2	3.9968	.86236
Technical skills support the college's long-term viability	1.9	5.0	6.9	61.5	24.6	4.0189	.83037
The technical talents employed in the operations and activities of the college are efficient.	2.2	7.6	10.7	58.4	21.1	3.8864	.89992
Average Score						3.9975	0.82776

Source: Researcher (2025)

As shown in Table 2, the outcomes on the aspect of risk management indicated that 2.2 percent of those who replied strongly disagreed with the statement that the college reviews and changes its risk management plans on a regular basis and 4.4 percent also disagreed. The neutral ones comprised 5.7 percent in the results. The result, however, indicated that 61.8 percent of the respondents concurred with the statement, with 25.9 percent strongly agreeing. That provided the mean of 4.05 and standard deviation of 0.83, implying that most of the surveyed respondents accepted that frequent revision of risk management structures is part of the sustainability of universities within PPP arrangements. Regarding the fact that the college has a very open approach to managing its own finances, 0.9 percent of the respondents strongly disagreed, 3.8 percent disagreed and 6.6 percent were neutral. Conversely, 67.8 percent of the respondents affirmed the assertion and 20.8 percent acknowledged it strongly. The average of 4.04 and the standard deviation of 0.72 indicate that respondents mostly asserted about openness and transparency of financial processes, which promote accountability and confidence in PPP engagements.

Concerning the statement that financial contribution affects the sustainability of the college, 1.3 percent strongly disagreed, 7.9 percent disagreed and 6.0 percent were neutral. On the other hand, 59.6 percent of the respondents affirmed the statement and 25.2 percent strongly affirmed. This generated a mean of 4.00 and a standard deviation of 0.86, indicating that the majority of the respondents felt that financial contributions among PPPs are critical in the sustainability of the public universities. When considering the statement that technical skills contribute to the long-term sustainability of the college, 1.9 percent of the respondents strongly disagreed, 5.0 percent disagreed and 6.9 percent

were neutral. Conversely, 61.5 percent of the respondents agreed with them and 24.6 percent strongly agree. This provided a mean of 4.02 and a standard deviation of 0.83, indicating that there was a very high level of agreement that provision of technical expertise by PPP partners directly leads to institutional sustainability.

On the quote that the technical skills utilized in the operations and activities of the college are efficient, 2.2 percent of the respondents strongly disagreed, 7.6 percent disagreed and 10.7 percent were neutral. On the other hand, 58.4 percent replied in the affirmative and 21.1 percent strongly. The mean of 3.89 and the standard deviation of 0.90 imply that although most of them perceived the effectiveness of technical talents in PPPs, a very small percentage of the respondents believed that the contribution of such talents was not sufficient or effective. The mean of 4.00 with a standard deviation of 0.83 indicates that the public-private partnership is largely viewed as a powerful pillar of sustainability in the public universities. The findings suggest that PPPs improve sustainability by updating risk management on a regular basis, providing transparent financial processes, monetary contributions and provision of expert technical knowledge. The results bring in some supportive evidence, which correlates with Mary and Noor (2020), who discovered that PPPs significantly increased financial sustainability and service provision in East African institutions of higher learning. Similarly, Mungai (2021) determined that PPPs closed resource gaps in Kenyan public Universities by marshalling resources (privately) in the form of finances and technical know-how. But the low percentage of those respondents who were neutral or disagreed reflects the warning issued by Muchiri, Erdei-Gally, and Fekete-Farkas (2022), who observed that in the absence of proper governance structures, PPPs can put institutions at risk of inefficiency or unequal burden-sharing.

The qualitative views of the respondents further observed that PPPs have provided universities with greater exposure to high-end infrastructure, technological competence, and better managerial efficiency, which would be problematic to achieve with limited government funding. PPPs have enabled institutions to diversify their sources of income, enhance service delivery, and invest in both physical and academic infrastructures, thus increasing student enrollment capacities and enhancing learning environments. PPPs have also promoted stronger relationships with industry, thus providing avenues to employment for graduates and enhancing the legitimacy of the universities in society. Overall, these impacts foster the long-term viability of the public universities by aligning them better with the economic and social structures within the country. This observation is consistent with findings from Oanda and Jowi (2012), who reported that PPPs are crucial in redressing resource inadequacies in universities in Kenya. Similarly, Mbugua and Rarieya (2018) argued that PPPs for higher education foster innovation and provide a sustainable basis for diversified sources of income. These findings support the observation that PPPs are valuable tools for ensuring the long-term viability of universities.

Sustainability of Public Universities

The sustaining processes of public universities are those mechanisms that allow institutions to manage their resources effectively, enhance long-term viability, and ensure that their operations are related to both the academic and the societal requirements in an organized and responsible way. The extent to which the introduction of the concept of sustainability (through prudent resource management, combination of community involvement, and compliance with social responsibility regulations) increases the capacity of the universities to be resilient, competitive, and economically stable is also determined through these practices. Table 3 displays the results obtained on this practice.

Table 3 Sustainability of Public Universities

Statement	Percentage					Mean	Std. Deviation
	SD	D	N	A	SA		
Good resource management helps ensure the college's long-term viability.	16.1	12.6	11.0	53.6	6.6	3.2208	1.23573
The college addresses sustainability issues with the local community, especially resource management.	3.2	0.9	3.8	65.0	27.1	4.1199	.78645
College priorities improve value creation in accordance with sustainability objectives	2.8	9.5	13.2	62.8	11.7	3.7098	.89531
The college takes steps to guarantee that hiring procedures comply with sustainable standards	3.5	10.7	12.3	56.8	16.7	3.7256	.97941
The college upholds sustainability goals while giving priority to social security measures.	13.6	29.3	17.4	34.7	5.0	2.8833	1.17285
Average Score						3.5319	1.01395

Source: Researcher (2025)

The outcomes attributed to the aspect of good resource management (as shown in Table 3) found that 16.1 percent of the respondents strongly disagreed with the statement that prudent management helps in ensuring the long-term viability of the college, and 12.6 percent disagreed with the statement as well. In the results, the results of those who did not take sides were 11.0 percent. The outcome, however, reported that 53.6 percent of the respondents affirmed the statement, with 6.6 percent strongly affirming the statement. This provided a mean of 3.22 and a standard deviation of 1.23, meaning that most of the respondents answered in the affirmative that effective resource management is a major factor in the long-term sustainability of universities, although a significant percentage of respondents were sceptical or opposed. In relation to the statement that the college addresses sustainability issues in the local community, particularly in how resources are

managed, 3.2 and 0.9 percent of the respondents strongly disagreed and disagreed, respectively, with the statement. The results also suggested that 3.8 percent of the respondents were neutral. More to the point, 65.0 percent of them concurred that their colleges prioritize community involvement on sustainability and 27.1 percent highly reacted to the statement. This gave an average of 4.12 with a standard deviation of 0.79. This finding validates the perspective that most of the respondents appreciate universities as engaged stakeholders in the community-based sustainability practices, especially in the context of sharing resources.

With regards to the assertion that college priorities enhance the enhancement of value within the context of the sustainability goals, 2.8 percent and 9.5 percent strongly disagreed and disagreed respectively, and 13.2 percent remained indifferent in their answer. Conversely, 62.8 percent of the respondents also agreed with the statement, with 11.7 percent expressing a strong agreement. The overall average of 3.71 with a standard deviation of 0.90 supports the fact that the majority of the respondents said they acknowledged that institutional priorities are being increasingly oriented towards the broader sustainability objectives, which evidences the tendency to incorporate sustainability into the strategic planning process. In terms of the fact that the college has made sure that hiring processes are within the framework of sustainable standards, 3.5 percent of the respondents strongly disagreed, and 10.7 percent disagreed. In 12.3 percent of the respondents, neutrality was found. On the other hand, 56.8 percent of the respondents concurred with the statement and 16.7 percent strongly concurred. This resulted in a mean of 3.73 and a standard deviation of 0.98, which indicated that sustainable employment procedures are mostly followed in the colleges, albeit there is some doubt among a small group of respondents.

In the instance of saying that the college is pursuing sustainability goals and is focused on social security measures, 13.6 percent of the respondents strongly disagreed and 29.3 percent disagreed. There was a 17.4 percent neutral response rate, 34.7 percent affirmative response rate and just 5.0 percent overwhelming response rate. This provided a mean of 2.88 and a standard deviation of 1.17, which was relatively low. The findings suggest a large number of respondents did not believe that universities were sufficiently balancing the commitments of sustainability with those of social security, and that there is a potential lack of connection between policy pronouncements and the reality in this domain. The standard deviation of 1.01 and the composite mean of 3.53 show that sustainability practices in Kenyan universities of higher learning are moderately practiced. The results taken together indicate that even though respondents acknowledge that the areas of community engagement, value creation, and sustainable hiring have improved significantly, there are still gaps in the sphere of resource utilization and the incorporation of social security concerns. The findings provide encouraging facts in line with other works, like that of Mungai (2021), who noted that sustainability in Kenyan universities has become more reliant on the integration of institutional priorities with global sustainability objectives. On the same note, Mary and Noor (2020) emphasized the need for the role of the community in ensuring the operation of higher education

institutions. Nonetheless, the expressed scepticism on the priorities of social security can be associated with the issues voiced by Muchiri, Erdei-Gally, and Fekete-Farkas (2022), who have indicated that the universities in the developing situation frequently do not find it easy to reconcile between financial sustainability and social commitments.

Correlation Analysis

Correlation analysis is an inferential method of assessing the level of association between the explanatory variables and a dependent variable. The evaluation evaluates the relationship between revenue diversification, like consultancy services, public-private partnership and philanthropic donations and the sustainability of the public universities in Kenya. It gives the intensity and direction of the correlation between the variable of study. In this, the results associated with this method are presented in Table 4

Table 4 Correlation results

		Sustainability	Consultancy Services	Private-public partnership
Sustainability	Pearson Correlation Sig. (2-tailed)	1		
Consultancy Services	Pearson Correlation Sig. (2-tailed)	.478** .000	1	
Public-private Partnership	Pearson Correlation Sig. (2-tailed)	.498** .000	.662** .000	1

Source: Researcher (2025)

According to Table 4.6, the consultancy services and sustainability had a moderate and significant positive correlation ($r = .478$, $p = 0.000$). This implies that those universities that successfully practice consultancy activities, by commercializing their research, providing professional training, and advising, is more likely to attain sustainability in the long run. This observation aligns with Makumi (2022) and Emmanuel (2023) and Pokki-Riikonen (2023), who determined that consultancy led to a significant improvement of financial performance as well as institutional resilience in higher educational institutions.

Public-private partnerships were also moderately and significantly correlated with sustainability ($r = .498$, $p = 0.000$). This means that the universities that develop good PPP arrangements will enjoy access to infrastructure, funding and technology transfers, which have a direct effect on their sustainability. This finding is in line with the findings of Mary and Noor (2020) and Mungai (2021), who revealed that PPPs played significant roles in bridging infrastructure gaps in Kenyan government universities.

CONCLUSION AND RECOMMENDATIONS

Conclusion

The empirical findings led to a number of conclusions made in the study. Firstly, consultancy services have a positive and significant effect on sustainability. The study concludes that those universities that institutionalize consultancy as a revenue-generating activity are in better positions to mitigate financial vulnerability, increase their academic relevance and increase long-term viability.

Public-Private Partnerships are the most powerful diversification strategy, which generates the greatest positive and statistically significant impact on sustainability. This shows that institutional partnerships between universities and companies cannot be ignored in filling funding gaps and the survival of institutions. The findings indicate that PPPs are not to be viewed only as auxiliary but central tools of funding and change in publicly-based universities.

Recommendations

Riding on the conclusions reached, the following recommendations were offered according to the study findings:

Consultancy services should be institutionalized within the public universities by the management of the universities by creating specific consultancy bureaus and definite contractual structures. There should be incentives that will encourage staff participation in consultancy, such as revenue-sharing programs and professional recognition. Project writing, contract negotiation, and service marketing training need to be given priority to enhance uptake and efficiency.

Public-private partnerships must be prioritized by the management of the universities due to their potential in providing a central means of mobilizing resources in universities. Institutional and national policy frameworks must be transparent and accountable and share risks fairly in PPP contracts. Cooperation in fields like infrastructure, ICT development, and research commercialization needs to be intensified, and the government ought to offer an environment of facilitation in the form of favorable legislation and checks and balances.

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