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ENTREPRENEURSHIP AS A MAJOR PART OF THE UNIVERSITY STRATEGY: AN ATTEMPT AT DIVERSIFICATION

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ABSTRACT

There seems little doubt that financial pressures in future will increase, as funding body grants reduce, tuition fee income becomes less stable and the demands to pay for new and better facilities continue to grow. And then there are the pension fund liabilities. diversifying income streams beyond the well understood core university activities of teaching students and winning research grants is still relatively new territory for many institutions; and it's clearly important to gain a good understanding of potential customers. This paper discusses the possibilities that an entrepreneurial university can offer to its various stakeholders as opposed to the traditional university that relies on funding from the state and other volunteers. The study employed the qualitative method methodology, where the quantitative methods were nested in the qualitative methodology. It adopted constructivism as its philosophy and multi-case study as its design. The findings of the study revealed that most participants felt that the State should wholly fund university education because of its strategic importance to the country. However, the reality on the ground proves that the state has no capacity to fund all universities. Thus, the study recommends that universities should be more entrepreneurial so as to complement whatever the state offers.

KEYWORDS

Entrepreneurship, strategy, university, stakeholders, diversifying, financial pressures

Introduction

University education in Zimbabwe is currently experiencing serious financial crisis. This is apparent because budgetary allocation for the Zimbabwe educational sector has been on the decline. The government has not been able to meet the 26% recommended by UNESCO. The situation has been aggravated largely due to the economic recession that the nation is facing and more so with increasing competition of education with other sectors for public monies. Africa has maintained its public investment in higher education over the last fifteen years, allocating approximately 0.78 percent of its GDP and around 20 percent of its current public expenditure on education to this sector (Woodhall, 2012). However, during this period, the total number of students pursuing higher education tripled, climbing from 2, 7 million in 1991 to 9.3 million in 2006 (annual average rate of 16 percent), while public resources allocated to current expenditure in that sector only doubled (annual average rate of 6 percent allocated to higher education), where during the 1991-2006 period the number of students quadrupled while available public resources have, in general, only increased at most by 75 percent (Williams, 2014). The problem of higher education financing is more acute in Africa than in the rest of the world, where mobilisation of public financing has generally kept pace with the increase in the number of students pursuing higher education (Williams, 2014).

Statement of the problem

The education sector in general, and university education in particular, has been in the grip of financial crises for quite some time in the world generally and in Zimbabwe in particular. The twin goals of expanding the education system and maintaining equitable access to higher education as a key strategy for promoting economic development, were inextricably linked to the issue of adequate funding for which the traditional approaches were no longer suitable or appropriate. Zimbabwean state universities largely rely on a grant from the government, which specifically is for salaries. The other source of income comes from the fees paid by students. These fees are largely controlled by the state and universities have no liberty to charge what they think would be adequate to cater for all its financial requirements. It is against this background that new approaches to addressing the funding needs of university education on a sustainable basis are proffered by this thesis.

Methodology

The study adopted the qualitative approach and interpretivism as its philosophy. The case study was used as the design and the sample comprised thirty-one participants selected through maximum variation or heterogeneous sampling (a type of purposive sampling) (Cresswell, 2019). Subjectivism and constructivism were the epistemological and ontological orientations of the study respectively. The interview guide was the study's instrument for data generation. This study's population comprised three state universities in Zimbabwe with data generated from finance directors, finance managers, academic staff, members of university councils, as well as students.

Results and discussion of the findings

Biographical data of participants

Composition of sample by gender (N=36)

The sample constituted sixty percent male and forty percent female. The implication of this data is that both sexes were fairly represented in the study, though with more males than females participating. The researcher purposefully selected participants on account of the relevance and richness of their contributions to the study.

Age range of respondents (N=36)

The 40-49 age range constituted the bulk of the participants. There were very few participants who fell below thirty years and those who were above sixty years.

Composition of respondents by professional qualifications (N=36)

The most common type of qualification that participants held is the Masters Certificate. There were few first degree holders and PhD holders.

Findings and discussion

Commitment at a high level to implement the entrepreneurial strategy

The participants stated that it was imperative for commitment to the strategy at all levels. There has to be commitment to implementing the strategy in relation to the entrepreneurial agenda. The commitment should be shared and supported by internal communication efforts. Universities with strong commitment at a high level will revisit and revise strategies to keep them up to date. Universities may also have adapted their structures to better deliver the entrepreneurial strategy.

The faculties and units have autonomy to act

Most participants argued that overcoming bureaucratic barriers is key to entrepreneurship. Universities with fewer barriers or hierarchies find it easier to undertake entrepreneurial activities and speed up idea creation and decision making (Ball, 1998). New centres and structures for the development of new activities can be formed easily. The institution should maximise autonomy and individual ownership of initiatives.

Incentives and rewards for staff who actively support the university's entrepreneurial agenda

The participants indicated that building an entrepreneurial culture within the staff body is essential for universities to increase and improve the quality of entrepreneurial activities. Encouraging and rewarding entrepreneurial behaviour in all staff reinforces the commitment to developing as an entrepreneurial university. To score highly, universities should have incentive and reward systems for those staff members that actively support entrepreneurship and business creation activities (Paulstone & Leroy, 2002). These systems should be available at an individual level as well as for faculties / departments (Paulstone & Leroy, 2002).

The university validates entrepreneurship learning outcomes

The participants opined that universities that value entrepreneurial learning commit to regular review, validation and updating of entrepreneurial course content. To score highly, there should be mechanisms to entrepreneurship (knowledge, skills and competence) in all degree programmes (Johnstone, 2014). The learning outcomes should be validated at the institutional level through appropriate mechanisms (internal or external moderation for example) and given due recognition in courses. Students should have a clear understanding of the learning outcomes achieved.

Collaboration and engaging with stakeholders

An important but often under-exploited resource for the Entrepreneurial University is the collaboration with the external environment and its stakeholders. This includes partnerships with communities, local organisations, local government chambers of commerce and alumni. Collaborating with external stakeholders can provide new relationships and be an important source of expertise and experience that can be used in entrepreneurship education and support services (Atkinson-Grodjean, 2012). To score highly, universities should collaborate and maintain regular contact with external stakeholders, have up to date information on their location and activities, and have activities that integrate their experience and expertise into entrepreneurship education and start-up support services.

Research results are integrated into entrepreneurship education and training

To stay up-to-date and relevant, the entrepreneurship education needs should be continuously reviewed and updated. One important aspect of this is to integrate the results of current entrepreneurship research into teaching. To score highly, universities should encourage staff and educators to keep the curriculum up-to-date with recent research findings and encourage the internal exchange of knowledge.

The university provides opportunities to experience entrepreneurship

Once staff and students understand the benefits of developing an entrepreneurial mindset and of becoming entrepreneurial, the university should provide opportunities to experience entrepreneurship. This involves exposing staff and students to environments in which they are more likely to encounter challenges which can encourage the development of entrepreneurial skills. This may include staff training, entrepreneurs in residence who teach and engage with staff and students, access to real life problems, as well as awards and other means of recognition. Education activities should be integrated with enterprise-related activities to ensure entrepreneurs are adequately prepared for creating start-ups through their education and that they have the support to put what they have learned into.

The findings from the study reveal that the respondents and participants believe that generally, it is the responsibility of the government to fund state universities. The respondents and participants were strongly against the notion of equally sharing of costs between the government and other stakeholders. The only dimension that they positively embraced is the issue of provision of student loans by government. However, on a closer look of the loans, it becomes apparent that it should be the government that mobilises these loans. In other words, it is still the government that plays the central role just as in the suggestion above, that government has to provide full support to the state universities.

The respondents and participants gave reasons for suggesting that government should provide full financial support to state university. Below are some of the reasons put forward by the participants during the interview sessions:

There are social returns in investing in individual's university education such that public funding in university education is an investment for society. I think in most cases, tax payers do get a lot of benefit from university educated citizens, especially from university courses that then fast track people into public service professions (P11).

Another participant put it strongly when he/she said:

Whether a university degree does or does not benefit an individual, the state should pay for this education in line with its responsibility to create a skilled labour force that supplies workers who are capable of meeting economic needs. Charging of tuition fees is wrong because it is a repudiation of the state's responsibility to optimise its own labour force and because it disincentives the decision by young people to optimise themselves. (P12).

The above responses clearly prove that there is a strong feeling by the respondents and participants that it is the responsibility of the government to provide financial support to state universities. The state owns these universities, and as such should not abdicate its duty to fund them. This tallies with observations by Alexander (2016) who argues that:

In a highly competitive global economy, we need the best-educated workforce in the world. It is insane and counter-productive to the best interests of our country and our future, that hundreds of thousands of bright young people cannot afford to go to university, and that millions of others leave university with a mountain of debt that burdens them for decades. That short-sighted path to the future must end. Government should own up and take its responsibility of fully supporting public universities.

Although the bulk of the respondents and participants were of the idea that it was the sole responsibility of the government to provide financial support to universities, there were a few respondents and participants who believed that government should not be the only source of funding for state universities. They may have been relatively few; but nonetheless, they had very strong observations which are worthy of consideration. Below are some of the sentiments that they expressed regarding this phenomenon:

No one is entitled to a free degree, and no one should be. It is morally wrong for people to pay for other people's education which will not benefit them in any way; nor neither will they have anything to do with them (P2).

University does not benefit society as much as you think. There is research, STEM careers, teaching and a few other things, but the vast majority of it just fills the gap between formal education and work. So beneficiaries and their parents should pay (P13).

Finally, P18 had this to say:

I think students must pay for their degrees, particularly under the current economic system where very few will actually pay back the amount they owe. It is the student who benefits from the value of their degree in terms of greater earning potential and this can be recognised by the fees (P16).

Clearly, the sentiments expressed by the participants against government funding of universities and for the shifting of the load to the beneficiaries are in keeping with observations made by Jongbloed (2010) who postulates that:

In particular, during hard times of financial crises, most nations realise that their already overstretched public budgets can no longer fully meet the financial demands of continuously expanding higher education. Moreover, benefits of university education accrue more for the individual than the public, thus, students should pay for their university education.

In spite of the observations by the few (though vocal) respondents and participants, the study found those believing in having more funding options and models other than the government taking care of universities on the minority. Highlighting those with different views is crucial in that since the study is largely qualitative, it is important to capture the sentiments of the few who had different views as the quality dimension does not believe in numbers but the quality of the responses.

According to the Guiding Framework for Entrepreneurial universities, universities should see themselves as entrepreneurial organisations and environments held together by common values and not detailed control systems. To develop as an entrepreneurial culture, the entrepreneurial activities should be established in the strategy.

Conclusion

In the light of the findings of this study, it could be concluded that personnel from universities still believe that it is the responsibility of the state to fund university education. However, evidence on the ground reveals that the Government has no capacity to continue funding universities. Universities have been told unequivocally that they have to diversify in order to augment income from the state. It thus the contention of this paper that, universities should start adopting the entrepreneurial model where they will come up with business entities to generate more funds for their own survival. Days that the state had to provide adequate resources to universities might not come back.

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