1. INTRODUCTION

The twin goals of expanding the Higher Education system and ensuring equitable access as a key strategy for promoting economic development are inextricably linked to the issue of adequate funding. Higher Education has a crucial role to play in a country’s economic development through its contribution to the economy’s innovative capacity which underpins economic growth (Robson, 2013). Zimbabwe has been expanding access by establishing new universities over the past 20 years but has faced serious funding constraints which make it unlikely that the national treasury will sustain the growth required to meet its socio-economic development aspirations.

Given the funding constraints that Zimbabwe has been experiencing over the past 20 years, Majoni (2014), states that it has become imperative to explore innovative ways of sustainably funding State Universities. According to Jegede (2012), the government of Zimbabwe has shown a strong commitment to the provision of access to education as indicated by the budgetary allocation to education which has averaged 25.78% over the five-year period 2011 to 2015. The rapid increase in the number of State Universities from three in 1996 to the current nine is further evidence of government’s commitment to expanding access to Higher and Tertiary Education. During the same period, no less than seven private universities were allowed to open (Jegede, 2012). However, during the same period, Zimbabwe has seen deterioration from a situation where government used to pay for
tuition as well as living expenses for students in universities and students would get a “payout”. Government would also pay for infrastructural development under the Public Sector Investment Program (PSIP) and provide around 90% of the recurrent expenditure budget. Currently, capital expenditure and recurrent expenditure budgets are almost completely not funded (Robson, 2013).

There has been a steady reduction in support given to students by government. Currently, such support as Majoni (2014) argues, is granted to a few needy students under a cadetship scheme where the government is supposed to pay fees for poor students who would otherwise not afford university fees. In turn, such students would work in Zimbabwe after completing their studies, for a number of years equal to the number of years for which they received funding. The rest of the students have to pay the full fees from their own resources.

However, grants to needy students under the cadetship scheme have not always been backed up by actual cash disbursements resulting in universities being owed substantial amounts of money by Government. This tends to add to the strain on the working capital resources of the universities. The Herald of 8th March 2016 quotes remarks by the University of Zimbabwe Vice Chancellor to the parliamentary portfolio committee on Higher and Tertiary Education, Science and Technology Development where he indicated that Government owes the University of Zimbabwe $11.4 million since 2010 for students who are on the cadetship scheme. As of 2014, State Universities were receiving only the salaries grant which the government is also struggling to pay as evidenced by the constant delays in its receipt by universities (Jegede, 2012).

There had been agreement in government to wean universities off government grants and in August 2015, government cut the salaries grant by 50% before an executive decision was made to reverse that policy (Robson, 2013). Clearly the reversal was for short term political expediency as the evidence shows that government has continued to struggle to pay salaries, not only for university staff, but for all other government departments as well. The Herald of 15th March 2016 quotes the Minister of Finance, Mr. Patrick Chinamasa who indicated that Government would progressively stagger the reduction of its wage bill to 52% of expenditure by 2019 and one suggested way of achieving this is to cut salary support to grant aided institutions. State Universities belong to this category of public institutions (Jegede, 2012).

The Zimbabwe Economic blueprint called ‘Zimbabwe Agenda for Sustainable Socio-Economic Transformation’ (ZIM– ASSET) envisions “...an Empowered Society and a Growing Economy”. One of the blueprint’s stated Key Success Factors is “Human Capital Development Programs to embrace the acquisition of requisite skills”. The core mandate of State Universities is Human Capital development. In light of the current experiences and the policy direction as indicated by the Minister of Finance, the sustainability of funding arrangements for State Universities have become an area of major interest for somebody in my position, working as Head of Finance in a State University. In a paper presented at a funding strategies workshop organised by the Zimbabwe Council for Higher Education (ZIMCHE), Gurira (2014) noted that higher education avails to society a critical mass of citizenry who possess the capacity to engage the most intractable problems of society. It produces the skilled graduates, professionals and intellectuals with the stamina to drive economic, social and political development. He also noted that, the effect of massification, that is, increased numbers in higher education is a worldwide phenomenon from which Zimbabwe and other nations have not been spared. Increased enrolments have a direct bearing on quality assurance. The major challenge is how to provide quality education in a context of increased numbers against a background of limited and dwindling funding (Gurira, 2014).

In the same presentation, Gurira (2014) posits that the three pillars of a successful higher education system are planning, quality assurance, and funding. It is the case that all state universities are heavily dependent on government grants for both capital and recurrent expenditures. Writing in the Greener Journal of Education and Training Studies, in an article titled “Challenges facing University Education in Zimbabwe,” Majoni (2014) notes that most universities rely on government funding but funding of universities by the state has reflected a negative trend as it has been left to individuals to pay for their education. Zimbabwean universities need to be able to generate income and realise surplus where possible, hence rely less on government funding. This means that Zimbabwean universities should generate income and become self-sufficient.
Gurira (2014) notes that, on average, it is estimated that 80% of budgetary support is from the fiscus, 15% from student fees and 5% from other sources. This obviously, is unsustainable; there is need for Higher Education Institutions (HEIs) to diversify funding sources especially in a context where the cake is getting smaller. Mpofu, Chimhenga and Mafa (2013) state that sustainable growth in Africa is contingent on the capacity of states to diversify their economies and thus develop skill, education and training- the human capital that will help to carry out and support this transformation. In this process, if investment capacity is limited, higher education plays a key role in training qualified individuals who will be capable of implementing new technologies and using innovative methods to establish more efficient enterprises and institutions and thus allocate resources more efficiently. Through research and increased knowledge, higher education can also help to address the challenges arising from population growth, limited arable land, endemic diseases, urbanisation, energy costs and climate change. For Zimbabwe to reap the benefits of this investment in developing human capital, higher education institutions must have adequate financing to provide quality training and sound professional prospects to their students.

2. 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 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. The study, therefore, sought to explore the underlying main research problem:

Funding challenges of state universities in Zimbabwe and strategies for improving the situation.

2.1. Research Questions

This study was guided by the following sub-questions:

- To what extent are Zimbabwean state universities’ personnel aware of the global trend of reducing support from national governments and the inevitable reduced allocations from the Zimbabwean treasury?
- Which are the alternative funding options and models that can be adopted by Zimbabwean State Universities?
- How can the efficiency of Zimbabwean State Universities in the utilisation of resources be enhanced in order for them to fund their programmes without support from the Government?
- How has lack of funding impacted on state universities?
- Which approaches and strategies could be used by Government and Zimbabwean State Universities in the face of declining funding to public universities.

3. METHODOLOGY

This study used the qualitative mixed methods methodology, where the quantitative approach was nested in the qualitative (Cresswell, 2014 & Leedy, 2009). The quantitative was intended to capture quantifiable perceptions of respondents on the phenomenon at hand without going into deeper detail which was provided by the qualitative dimension. Use of mixed methodology was guided by the pragmatism paradigm hence adopted a pragmatic perspective (Creswell, 2014; David & Sutton, 2011; Punch, 2011). The pragmatism paradigm arises out of actions, situations and consequences rather than antecedent conditions. This study’s population comprised all state universities in Zimbabwe with data collected and generated from finance directors, finance managers, academic staff, members of university councils, as well as students from three of them. For the qualitative dimension of the study, the researcher purposefully selected individuals and sites that provided the necessary
information. Maximum variation/heterogeneous purposive sampling, which provided a diverse range of cases relevant to a particular phenomenon was used to come up with participants who have experience with the key concept being explored by this study, which is, innovative ways of funding state universities. Random sampling was used for the quantitative dimension of the study.

4. RESULTS

The results are captured below.

Table 1. Major source of funding for your university (N=72)

<table>
<thead>
<tr>
<th>Major source</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Students</td>
<td>60</td>
<td>83</td>
</tr>
<tr>
<td>Donors</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Income generating projects</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Don’t know</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>72</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Table 4.4 reveals that the majority of the respondents indicated that the major source of funding for their universities were student fees (83%). Those who stated that the government was the major source of funding constituted 6 percent of the respondents. Those who indicated that donors were the major source represented 4 percent of the respondents. Those who opined that income generating projects were the major source of funding for their universities constituted 3 percent of the respondents, while those respondents who indicated that they did not know what the major source of funding for their universities were 4 percent of the respondents.

Information regarding what respondents thought was the percentage of total funding that comes from government sources to their universities is depicted on figure 4.4 below.

![Figure1. Percentage of total funding from government (N=72)](image)

Data presented in Figure 4.4 summarises responses from respondents on the percentage of funding that they think comes from government sources to their universities. The bulk of the respondents indicated that between 0-20% of total funding of their university activities came from government sources. Those who stated that government contributed 21-40% were 5 percent of the respondents and 2 percent apiece stated that the government contributed 41-50% and 51-60%, respectively, whilst 6 percent of the respondents were not sure about the total funding that came from government to their universities.

Respondents were asked about what they thought were trends in government funding over the past five years. Their responses are summarised on Figure 4.5 below.
An overwhelming number of respondents indicated that funding of their universities by government during the past five years was decreasing and these constituted 92 percent of the respondents. A few respondents believed that funding from government remained constant during the past five years and these represented 3 percent of the respondents; whilst those who were not sure about the question constituted 5 percent of the respondents. None of the respondents indicated that funding from government to their universities was increasing.

It was also put to respondents to comment on whether reduced government funding of higher education is a global phenomenon and is not peculiar to Zimbabwe. Their responses are captured on figure 3 below.

A noteworthy finding revealed in Figure 4.6 is that the majority of the respondents did not believe that reduced funding for higher education by governments was a universal phenomenon across the globe. These constituted sixty-one percent of the respondents. Out of these respondents sixty-one percent disagreeing with the assertion), twenty-four percent apiece disagreed or strongly disagreed with the statement respectively. The remaining thirteen percent somewhat disagreed with the assertion. Those who either agreed or strongly agreed with the assertion were thirty-nine percent of the respondents out of which twenty-six (26) percent agreed and thirteen (13) percent strongly agreed with the statement.

Respondents were also asked whether full government funding is the best way to finance state universities. The figure below, Figure 4.7 presents findings from this item.
Innovative Ways of Sustainable Funding of State Universities

Data on Figure 4.7 above reveals that the majority of the respondents indicated that they agreed or strongly agreed with the statement that government should fully finance all activities undertaken by state universities. They constituted seventy-seven percent of the respondents. Forty-two percent strongly agreed with this assertion while thirty-five percent agreed. On the other hand, those who either disagreed or strongly disagreed with the assertion were twenty-three percent of the respondents. It is also worth noting that none of the respondents strongly disagreed with the assertion.

5. ALTERNATIVE FUNDING OPTIONS

Data about whether costs of running state universities should be shared between government and individual students was also solicited from the respondents. Figure 4.8 below, provides responses to this item.

The data on the figure above, Figure 4.8, reveals that twelve percent of the respondents indicated that they strongly agreed with the statement, another thirty-two percent agreed and seventeen percent of the respondents somewhat disagreed with the statement. Those who either disagreed or strongly disagreed constituted twenty-four percent and fifteen percent respectively. Altogether, those who disagreed with the assertion were on the majority at a total of fifty-six percent against the total of those who believed that the costs of running state universities should be equally shared between the government and the individual students.

6. DISCUSSION

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 findings from the study reveal that there was overwhelming congruence by respondents and participants on this item. Activities that were said to have been affected by lack of funding include construction of lecture rooms, failure to acquire modern teaching / learning equipment, failure by academics to conduct meaningful research as well as visit universities in other countries on sabbatical, lack of university funded scholarships, serious understaffing of academics which compromises quality of service delivery to students, as well as failure to assess students on attachment. It became quite succinct from the perceptions of the respondents and participants that much as they suggested some alternative approaches and strategies to improve funding of universities, they seemed to emphasise the fact that the government should not abdicate from its mandate to fund state universities fully, since state universities represent one of the pillars of governance. These sentiments are congruent with observations by Samuels (2017) who was advocating for full funding of universities by the United States government:

7. CONCLUSION
Lack of adequate funding of state universities by government has negatively affected a number of activities which include construction of lecture rooms, failure by academics to conduct meaningful research and visit universities in other countries for exchange of knowledge. Inadequate funding of universities also affects students from poorer families in that the state can no longer subsidise their education; and thus end-up dropping out of university. As a result of lack of funding, universities are now a pale shadow of their past. This has resulted in a number of universities striving for quantity in terms of enrolment figures, instead of quality in the form of the calibre of students being recruited by the universities. Those universities that cannot enroll many students to supplement their finances, face the prospect of folding up due to lack of resources.

RECOMMENDATION
Universities need to work very hard to sustain tertiary education in the country. There is need, therefore, for government and university authorities to identify innovative entrepreneurship programmes to augment the existing inadequate funding in the universities. Universities must be innovative, self-reliant and adopt an entrepreneurship model of running their affairs in order for them to survive. In addition to government grants, the universities must be allowed to charge appropriate fees to boost their internally generated revenue. Universities should also engage in investment entrepreneurship and create consultancy services units in the institutions.

REFERENCES