



FINANCIAL FACTORS AND STUDENTS' RETENTION IN PRIVATE UNIVERSITIES IN LANGATA SUB-COUNTY, NAIROBI COUNTY

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ABSTRACT

Purpose of the study: The purpose of the study was to examine the contributions of financial factors in determining students' retention in private universities in Langata Sub-County, Nairobi County.

Statement of problem: In Langata Sub-county, Muchemi (2019) reported that the retention rate of the students at Riara University is less than 67%. Moreover, at St Lawrence University Kenya, the school admits an average of 3700 students per year, while those who graduate yearly are less than 47%. Besides, the number of students who graduated from the Catholic University of Eastern Africa reduced significantly between 2015 and 2017.

Research Methodology: The study adopted a mixed method approach whereby a convergent parallel mixed method design was used. Stratified sampling design and purposive sampling was used to select the study participants. . The sample size of teachers and students was 218 and 398 respectively. The study purposively picked two deans of students and one registrar from each university for representation. The total sample size was 640. Questionnaires and interview guide were used to collect data. Both quantitative and qualitative data analysis techniques were used to analyze the data.

Findings: The findings of the study established that financial factors were significant in determining the students' retention in private universities in Langata sub-county. The correlation analysis showed that financial factors were positively and significantly correlated with student's retention. Based on the regression analysis, financial factors and student's retention was found to be positively and significantly related ($\beta=.121$ $p=0.007$).

Conclusions: The study concluded main financial factors included cost of accommodation, tuition fees, financial support such as scholarship and commuting costs.

Recommendations: The study recommended that the cost of accommodation need to be affordable to the students. Also, the fees that are charged to students need to be reviewed from time to time and should be made affordable. The study also recommended that the school management need to establish financial support such as scholarship to the needy students.

Keywords: *Financial factors, students' retention, private universities, Langat sub-county, Nairobi County*

1.0 INTRODUCTION

The retention of students in universities has been declining over time (Chiguvi & Ndoma, 2018). The retention is measured through a percentage of students who complete a program within a stipulated time frame at the same institution that they enrolled in the program (Heath Gilmore Higher Education, 2015). Most students prefer to attend schools that have a high number of students graduating because it illustrates student success and perhaps strong academic support (Adesoji & Adetero, 2015). On average, in countries such as the US and Italy, one student in two abandons university without obtaining any university degree. . Furthermore, university students' dropping rate in New Zealand, Hungary, Mexico, UK, Poland and Norway is more than 31% while in Belgium, Denmark, France, Germany and Japan is about 24% (OECD, 2017) Institutions that have accustomed to investing in student enrollment and increasing student retention rates yields a higher financial Chinwe & Mag, 2015). The retention of the students varies from one institution to another, depending on the strategies undertaken. According to Al-Dossary, (2014), Felter (2015), Hilo (2018), Ochieng (2015), Anyanwu, Kanga, and Adhiambo (2019), Njoroge, Wang'eri and Gichure (2016), the retention of university students in schools is influenced by financial factors.

Financial factors include financial aid such as scholarships, grants and loans that make pursuing a particular course more attainable (Hoyt, 2014). Some of the common factors that attribute to drop out from the school include financial burdens from needing to retake the course, changes in a personal financial situation and lack of internet access (Sorensen & Donovan, 2017). Li and Killian (2016) revealed that financial factors are significant concerning persistence in higher education. If the tuition fee is high, more students will feel economic hardships, thereby increasing their dropout. Moreover, Kim and Kim (2018) revealed that the most financial factors that determine the retention of students in a particular school include tuition fees and the cost of accommodation.

Most of the universities in Langata sub-county have not attracted more students as compared to other universities in the county such as Strathmore University, Daystar and the Management University of Africa (CUE, 2019). According to Muchemi (2019), the students' retention rate in Riara University is less than 67% in which most students' transfers to other universities after less than a year in the university. Moreover, it was noted that the retention rate of the student in St Lawrence University Kenya is very low in which the school admits an average of 3700 students per year while those who graduate year are less than 47%. Besides, the number of students who graduated from the Catholic University of Eastern Africa reduced significantly from 2015 to 2017 in which 1954 students graduated in 2015, 1782 in 2016 and 1500 in 2017 (CUEA 2018). This was an indication that most private universities in Langata Sub-county were having challenges of student retention thus formed the foundation of conducting the study. The study

prominently examined financial factors' contributions in determining students' retention in private universities in Langata sub-county.

1.1 STATEMENT OF THE PROBLEM

The retention of the admitted students in one private university till graduation has been very low (Kande, Namusonge, & Mugambi, 2017). According to Njoroge, Wang'eri and Gichure (2016), less than 70 % of the students in private universities graduate in the same university that they were admitted in the first year. In Langata Sub-county, Muchemi (2019) reported that the students' retention rate at Riara University is less than 67%. Most students transfer to other universities after less than a year in the institution. Moreover, at St Lawrence University Kenya, the school admits an average of 3700 students per year, while those who graduate yearly are less than 47%. Besides, the number of students who graduated from the Catholic University of Eastern Africa reduced significantly between 2015 and 2017 in which 1954 students graduated in 2015, 1782 in 2016 and 1500 in 2017 (CUEA 2018). This is an indication that most private universities in Langata Sub-county are having challenges of student retention, thus forms the basis of conducting the current study.

Besides, information on the contributions of financial factors in determining students' retention in private universities in Langata sub-county remains scanty. For instance, Muchemi (2019) established that university sports success and scholarships have a positive effect on the students' enrolment in private universities in Kenya. The study presents a conceptual gap because it concentrated on the effect of university sports success and scholarships, while the current study focused on financial factors. Also, Ochieng (2015) showed that financial, social-cultural factors and accessibility of educational opportunities were the significant factors that contributed to the retention of students in secondary schools in Ndhiwa Sub County. The study presents a contextual gap in that it was conducted in secondary schools while the current study will be conducted in universities; thus, results cannot be used for generalization. Therefore, it is evident that a knowledge gap exists in the previous studies that needed to be ascertained by examining the contributions of financial factors in determining students' retention in private universities in Langata sub-county, Nairobi County.

1.2 RESEARCH QUESTION

The study sought to answer the following question:

What is the contribution of financial factors in determining students' retention in private universities in Langata sub-county, Nairobi County?

1.3 CONCEPTUAL FRAMEWORK

The conceptual framework is a diagrammatical representation that shows the relationship between dependent and independent variables. Figure 1 summarized the relationship between financial factors and student retention.

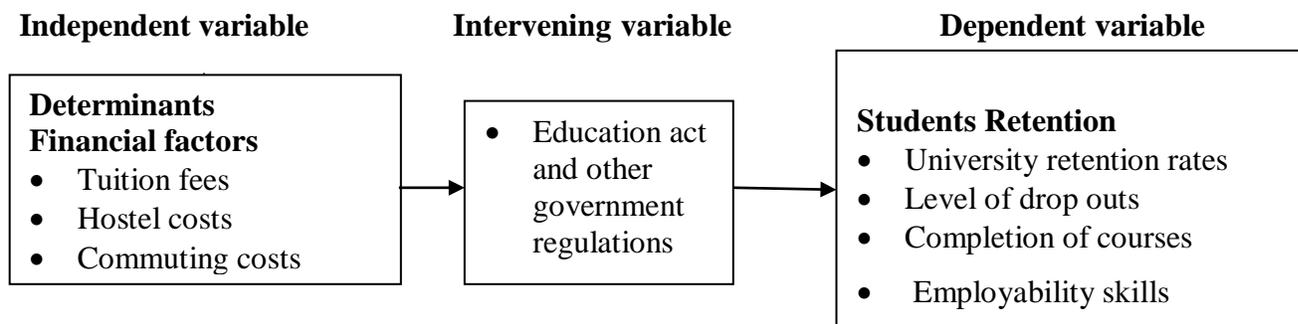


Figure 1: Conceptual framework showing the interaction between variables

2.0 LITERATURE REVIEW

2.1 Review of Related Theories

2.1.1 Theory of Socialist Economics of Education

The theory of socialist economics of education was propounded by a French writer and historian called Louis Blanc in 1967.. The theory underscores the need to create an economy that redistributes income from the rich to the poor to create equality of well-being (Selowsky, 1979). According to Reutlinger and Selowsky (1999), the socialist economics of education theory reports that financial support such as bursary allocation can help enhance equity in access to education by the poor. Otherwise, if education is offered without financial support, only those who can afford to pay school fees and other related costs would enroll and be retained in school. In a situation where there is no financial support, inequalities perpetuate that affect the psychology of the students, thus higher dropping out of school due to depression. In cases where the students are identified impartially based on their parentage and socioeconomic status, the retention of students in schools will be high (Wachiye & Nasongo, 2010).

The theory stresses that financial constraints among vulnerable students influence their mental states and determine their retention to a large extent (Morawetz, 1980). Schools can be improving the mental states of the students by developing a conducive environment such as subsidizing tuition fees and accommodation. In the event of partiality in the allocation of any financial support, the sagging will be distinct, implying the presence of drop out of students. The availability of fair allocation and distribution of the opportunities to all the students is essential and increases the retention of students (Morawetz, 1980).

2.2 Review of Empirical Studies

Felter (2015) conducted a study to examine the influence of economic status of parents on children' Education in China. The researcher sampled 500 households and 200 students. The study used secondary data which was collected from school records and government data on household income. The study found that students whose parents have higher economic status have an enhanced regard for learning and they use effective learning strategies than students of parents with lower economic status. This study used secondary data sources but the current study will use primary data sources.

Roydon (2016) sought to examine factors that impact the retention of first-generation college students in New Jersey. The study was conducted using pre-existing data from the Fall 2009 new

student cohort. The study targeted 421 first generation students. Findings revealed that first-generation students were indeed at risk to be retained in comparison to their peers due to commuting costs. Majority of the students who were unable to reside on campus eventually dropped out of schools. This study targeted only first year students but the current study will study targets first to fourth year students.

Matias (2019) examined the relationship between student retention rates and institutional expenditures California State University. The target population of the study was the entire population of the CSU, which is comprised of 23 campuses. Data for this study were drawn from the university database, managed by the National Center for Education Statistics (NCES). This study found that instructional, academic support, and institutional support expenditures were positively correlated with student retention rates. This finding suggests that increases in both dollar amounts and proportion of expenditures allocated to each functional category would result in higher retention rates. This study used secondary data sources but the current study will use primary data sources.

Hoyt (2014) conducted a study on factors impacting attrition at Utah Valley State College (UVSC), Orem, USA. This study adopted qualitative research design. This study used secondary data which was collected from student information system and records from the Commissioner's Office. Findings established that financial support that students received from the college was the key factor which influenced student retention. Findings also established that students who were offered any type of financial aid such as scholarships, grants, loans, or work study had higher retention rates than students who did not receive financial aid. This study utilized a single research design but the current study will use mixed research designs.

Sorensen and Donovan (2017) examined factors that impact the retention of online students at a for-profit university in Malaysia. This study utilized a non-experimental mixed-methods research design. The study sample size consisted of online students. Data was collected from university databases, online survey and interviews. Findings established the common reasons for students' discontinuing their studies as: personal or family emergencies, needing a break from school, financial burdens from needing to retake course, changes in personal financial situation, and lack of internet access. This study focused on retention of online students but the current study focuses on students who physically attend classes in the private universities.

Li and Killian (2016) looked at the patterns of attrition at a Midwestern research university. The study sampled 300 university students. Survey monkeys were used for data collection. The research tools were sent via student's email as provided by the university. Findings established that among the most often proffered reasons for leaving, financial factors were the most important ones in relation to persistence in higher education. If the tuition is high, more students will feel economic hardships, thereby negatively affecting their dropout decision and participation in higher education. Findings also established a significant positive correlation between financial aid from universities and students' retention. Data for this study was only collected from university students but the current study will target the students, lecturers as well as the academic deans.

Kim and Kim (2018) examined the possible causes of university dropout in South Korea. This study was purely qualitative. Data was collected from secondary sources using a three-year balanced panel data from 2013 to 2015. Findings were constructed and estimated by using nonlinear panel data models. The findings showed that cost and burden for students, financial

resources have significant effects on university dropout. This study used a qualitative research design but the current study will utilize both qualitative and quantitative research methods.

Muzenda (2014) conducted a study to investigate the differential effects of three major factors causing dropout of students from private higher education and training colleges in South Africa. The research design for this research was an experimental study. Using simple random sampling, a sample of 258 students from private colleges in three provinces were selected. The General Linear Model based univariate ANOVA technique was applied to analyze the factors causing dropout of students. Findings established that economic status had the highest significant effect. The researcher suggested that it is very imperative for parents, guardians and education professionals to collaborate towards addressing socioeconomic and student-related factors in order to minimize dropouts of students from higher learning institutions. This study used experimental research design but the current study will use convergent parallel mixed method to enable collection of both qualitative and quantitative data.

Chiguvi (2018) investigated the effects of accommodation costs on students' retention in the private tertiary institutions in Botswana. A questionnaire was used to collect data. The findings revealed that lack of hostel accommodation encourages truancy and consequently poor concentration on academic work and drop out. It was recommended that the government should provide land where student hostels will be built, especially near the institutions where students can easily have access and provide a walking distance. This study only concentrated on students' accommodation but the current study will focus on influence on all costs (tuition, accommodation, commuting) on students' retention.

3.0 RESEARCH METHODOLOGY

The study employed a mixed-methods design and specifically convergent parallel mixed-methods design. This method involved the collection of both quantitative and qualitative data. The target population was 90, 000 students, 479 lecturers, 131 deans of students and 76 registrars. The unit of analysis was Catholic University of Eastern Africa, Tangaza University College, Marist International University College, St Lawrence University Kenya, Africa International University, Amref International University and Riara University. The sample size for students, lecturers, deans of students and registrars were 398, 218, 16 and 8 respectively.

4.0 RESEARCH FINDINGS AND DISCUSSIONS

4.1 Analysis of the Responses of Lectures and Students on Financial Factors and Student's Retention

4.1.1 Lecturers' Responses of Financial Factors

The study explored the contribution of financial factors in determining students' retention in private universities in Langata sub-county, Nairobi County. The lecturers' responses of the influence of financial factors in determining students' retention is presented in Table 1

Table 1: Lecturers’ Perceptions of Financial Factors on Students’ Retention

Statement	Strongly disagree F (%)	Disagree F (%)	Neutral F (%)	Agree F (%)	Strongly agree F (%)	Mean	SD
The cost of accommodation has been a significant factor to students that have determined their retention in the university	11(5.70)	25(13)	5(2.60)	89(46.10)	63(32.60)	3.87	1.17
The tuition fees charged to the students per semester influences their retention in the university	8(4.10)	40(20.70)	8(4.10)	85(44%)	52(26.90)	3.69	1.01
The availability of the financial support such as scholarship influences the completion of the degree among many students in the university	20(10.40)	17(8.80)	13(6.70)	72(37.30)	71(36.80)	3.96	1.3
The availability of the financial aid such as scholarships influences my retention in the university	17(8.80)	23(12.00)	23(11.70)	68(35.00)	63(32.50)	3.7	1.28
The financial burden of students to retake a course determine their retention in the university	19(9.80)	27(14.00)	5(2.60)	40(20.70)	102(52.80)	3.93	1.05
The economic status /changes in financial situation of the students determine their retention in the university	10(5.20)	23(11.90)	17(8.80)	119(61.70)	24(12.40)	3.64	1.02
Average						3.82	1.11

The results presented in Table 1 indicate that 78.80% (152) of the lecturers agreed the cost of accommodation is a significant factor to students that determine their retention in the university, 18.70% (36) disagreed and 2.60% (5) were neutral. 70.90% agreed the tuition fees charged to the

students per semester influence their retention in the university, while 24.80% disagreed and 4.10% were neutral. Furthermore, 74.10% revealed the availability of financial support such as scholarship influences the completion of the degree among many students in the university while 19.20% disagreed and 6.70% were neutral. Moreover, 73.50% agreed the financial burden of students to retake a course to determine their retention in the university while 23.80% disagreed and 2.60% were neutral. 74.10% agreed the economic status /changes in the financial situation of the students determine their retention in the university while 17.10% disagreed and 8.80% were neutral.

Using a five-point scale Likert mean, the average mean of the survey questions of financial factors was 3.82. This indicated that most of the lecturers agreed that financial factors are significant in determining the students' retention. The results concurred with the arguments of staff 9 from the dean of students who argued, "*The scholarships programme available within the schools is inadequate to meet the needs of those students who are not able to pay fees and other expense.*" Further, staff 13 from the dean of students said, "*the school management sometimes makes agreement with the students to pay the tuition fees in installments*". Enabling the students to pay the tuition fees in instalments is important and increases the retention of the students. Staff 3 from the dean of the student revealed "*some of the students are unable to complete theirs studies because of the financial challenges*". Based on the literature reviewed, Lang, Chan, Pask-Aube and Swift (2015) argued that the level of tuition fees affects rates of retention and graduation of the students. Also, North (2014) reported that the retention rate is high to schools that subsidize the cost of accommodation and fees payable. Moreover, Matias (2019) revealed that the main factors that influence the retention of the students in many universities include the level of poverty, management of schools, students and staff indiscipline and working relations in schools.

4.1.2 Students' Responses on Financial Factors

The perception of the students towards financial factors in determining students' retention in private universities in Langata sub-county, Nairobi County is illustrated in Table 2

Table 2: Students’ Perceptions of Financial Factors on Students’ Retention

Statement	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
	F (%)	F (%)	F (%)	F (%)	F (%)		
The amount of tuition fee influences my retention in the university	20(6.30)	47(14.80)	24(7.60)	128(40.40)	98(30.90)	3.75	1.22
The cost of accommodation such as hostel costs determines my stay in the university	30(9.50)	36(11.40)	21(6.60)	104(32.80)	126(39.70)	3.82	1.32
The availability of the financial aid such as scholarships influences my retention in the university	28(8.80)	38(12.00)	37(11.70)	111(35.00)	103(32.50)	3.7	1.28
The financial burdens from needing to retake a course discourages my retention in the university	18(5.70)	31(9.80)	27(8.50)	128(40.40)	113(35.60)	3.57	1.16
The expenses incurred in transport (commuting costs) influences my retention	28(8.80)	43(13.60)	35(11)	104(32.80)	107(33.80)	3.69	1.3
Average						3.71	1.26

Based on the results presented in Table 2, 71.30% (226) of the students agreed that the amount of tuition fee influences their retention in the university while 18.70% (67) disagreed with the survey question and 7.60% (24) remained neutral. Further, 72.50% agreed the cost of accommodation such as hostel costs determines their stay in the university while 20.90% disagreed 6.60% were neutral. 67.50% agreed the availability of the financial aid such as scholarships influences their retention in the university while 20.80% disagreed and 11.70% remained neutral.

Moreover, 76% agreed the financial burdens from needing to retake a course discourage their retention in the university while 15.50% disagreed and 8.50% were neutral. Further, 66.60% agreed the expenses incurred in transport (commuting costs) influences their retention in the

university while 22.40% disagreed with the statement and 11% were neutral. Using a five-point scale Likert mean, the average mean of the reactions was 3.71 that indicated most of the students were agreeing with a large portion of the statements that financial factors influences retention of the students. The results agree with the argument from staff 2 from the registrar who said, “*Scholarships is available to the students from poor families and are performing well*”.

In addition, staff 1 from the dean of student explained, “*the fundamental factors that influence the retention of the students in the university include the level of tuition fees and hostel expenses*”. This means that the tuition cost and the expenses of the accommodation such as hostel expenses, determine the retention of the students. As per the literature reviewed, Joseph (2017) established that the graduation rate increased after the tuition waiver. The tuition waiver has a positive effect on internal efficiency. The results concur with the findings of Ochieng (2015) who found that financial, social-cultural factors and accessibility of educational opportunities are significant factors that contribute to the retention of students. Also, Chiguvi and Ndomab (2018) revealed that lack of hostel accommodation encourages truancy and consequently poor concentration on academic work and drop out. Further, Gogo (2015) revealed that the effective, cost-effective measures are necessary to reduce operational costs of secondary education which in the long run reduces the burden to parents in terms of fees payment and thus increases the retention of the students.

4.1.3 Lecturers’ Responses on Students’ Retention in Private Universities in Langata Sub-County, Nairobi County

The dependent variable of the study was students' retention in private universities in Langata sub-county, Nairobi County. The views of lecturers toward students' retention in private universities in Langata sub-county, Nairobi County is presented in Table 3

Table 3: Lecturers’ Perception of Students’ Retention in Private Universities in Langata Sub-County, Nairobi County

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree	Mean	SD
	F (%)	F (%)	F (%)	F (%)	F (%)		
In our university, there is high retention rate of the students compared to other universities in the sub county	18(9.3)	104(53.9)	18(9.3)	35(18.1)	18(9.3)	2.64	1.16
The number of students graduating every year has been increasing	22(11.4)	80(41.2)	8(4.1)	53(27.7)	30(15.5)	2.81	1.32
The number of drop out in our university has been decreasing	20(10.4)	94(48.7)	18(9.3)	35(18.1)	26(13.5)	2.76	1.25
The completion of courses within the stipulated time in the university has been increasing	26(13.5)	78(40.3)	14(7.3)	44(22.9)	31(16.1)	2.92	1.35
The attrition rate in the university has been decreasing	34(17.4)	59(30.8)	21(10.9)	36(18.8)	43(22.1)	2.98	1.33
Average						2.82	1.28

As per the results presented in Table 3, 63.20% of the lecturers disagreed there is high retention rate of the students in their university compared to other universities in the sub county, 27.40% agreed and 9.30% were neutral. Furthermore, 52.60% disagreed the number of students graduating every year has been increasing, 43.20% agreed and 4.10% were neutral. Further, 61.10% disagreed the number of drop out in the university has been decreasing, 29.60% agreed and 9.30% were neutral. Moreover, 58.80% disagreed the completion of courses within the stipulated time in the university has been increasing, 34% agreed and 5.70% were neutral. In addition, 48.90% disagreed that attrition rate in the university has been decreasing, 40.90% agreed and 10.90% were neutral.

Using a five-point scale Likert mean, the average mean of the survey questions of students' retention was 2.82. This indicated that majority of the lectures disagreed that the retention of the student in their respective universities is high. This indicated that most of the universities are facing the challenges of the student's retention in their universities, thus need to develop more effective strategies. The results agree with the arguments from staff 2 from registrar who said "the school management offers scholarship opportunities to some of the poor students but the procedure of who qualifies for the scholarship has not been transparent". Also, staff 5 from the registrar revealed that "in most cases, the schools admits students to its full capacity, however, those who graduate are less than 60 percent". The results further concur with the findings of Lang, Chan, Pask-Aube and Swift (2015) who showed that the level of tuition fees affects rates

of retention and graduation and the scholarship opportunities given to the students is not equally distributed, thus increases drop out.

4.1.4 Students’ Responses on Students' Retention in Private Universities in Langata Sub-County, Nairobi County

Students were asked to indicate their level of agreement or disagreement on the survey questions concerning the retention of the students in private universities in Langata sub-county, Nairobi County. The findings of the study are summarized in Table 4.

Table 4: Students’ Perceptions of Students' Retention in Private Universities in Langata Sub-County, Nairobi County

Statement	Strongly disagree F (%)	Disagree F (%)	Neutral F (%)	Agree F (%)	Strongly Agree F (%)	Mean	SD
I am looking forward to finish my studies in this university	26(8.2)	143(45.1)	15(4.7)	83(26.2)	50(15.8)	2.96	1.3
I can always prefer my colleagues to join the institution	14(4.4)	137(43.2)	23(7.3)	97(30.6)	46(14.5)	3.08	1.22
Am satisfied with the course offered in this institution	41(12.9)	131(41.3)	18(5.7)	68(21.5)	59(18.6)	2.91	1.07
The university is my favorite choice	29(9.1)	140(44.2)	24(7.6)	70(22.1)	54(17)	2.84	1.01
In future if given an opportunity, I will enroll another course in this university	27(8.5)	156(49.2)	29(9.1)	54(17)	51(16.1)	2.87	1.27
Average						2.93	1.17

Based on the result presented in Table 4, 53.30% of the students disagreed they are looking forward to finish their studies in the universities they are studying, 42% agreed and 4.70% were neutral. Also, 52.10% agreed they can always prefer their colleagues to join the institution, 40.60% disagreed and 7.30% were neutral. Moreover, 54.20% disagreed they are satisfied with the courses offered in those institution, 40.10% agreed and 5.70% were neutral. The number of students who disagreed on whether the university is their favorite choice were 53.30%, while 39.10% agreed with the statement and 7.60% were neutral. Further, 57.70% disagreed in future if given an opportunity, they will enroll another course in this university, 33.10% agreed and 9.10% were neutral.

Using a five-point scale Likert mean, the average mean of the survey questions of students' retention was 2.93. This implied that majority of the students disagreed that the retention of the students is high in the universities. The results concur with the argument from staff 5 from registrar who revealed, “*The retention of the students in the universities has been very low*”. Most of the universities within Langata Sub County are facing the challenges of student retention. This means that the universities are not competitive to retain more of their students.

Also, Staff 10 from the dean of students said “*the number of student’s graduation each year has been decreasing from time to time and the management is not taking much measures to establish the cause of the low graduation*”. Management in an organization plays a significant role in making of the strategies that increases the performance. Having effective management with good leadership style influences the satisfaction of other members in an organization.

From the reviewed literature, Mualuko (2017) revealed the access of quality education among some of the poor has constantly been affected by poverty in that some access education that is marred by lack of the right instructional facilities and equipment, poor processes of delivery, inconducive and unattractive learning environments. Moreover, Kinyua (2018) revealed that head lecturers who consulted critical stakeholders in their decision making were more successful in their work and performance in their schools improved. Also, Ng’ethe (2014) established the leadership styles influence the retention of the employees in an organization.

4.2 Inferential Statistics

The section entails the correlation and regression analysis.

4.2.1 Correlation Analysis

Correlation analysis is a statistical method used to evaluate the strength of association between two quantitative variables. Table 5 present the correlation analysis.

Table 5: Correlation Analysis

Variable		Retention of students	Financial factors
Retention of students	Pearson Correlation	1.000	
	Sig. (2-tailed)		
Financial factors	Pearson Correlation	.501**	1.000
	Sig. (2-tailed)	0.000	

The correlation results depicted in Table 5 establish there is a positive and significant association between financial factors and retention of students. The results concur with the findings of Matias (2019) who found that financial support was positively correlated with student retention rates. Moreover, Sorensen and Donovan (2017) established the common reasons for students’ discontinuing their studies include personal or family emergencies, needing a break from school, financial burdens from needing to retake course, changes in personal financial situation, and lack of internet access.

4.2.2 Regression Analysis

Regression analysis examines the relationship between variable. The components of the regression analysis include the model fitness, analysis of variance and regression coefficients. The model fitness is presented in Table 6

Table 6: Model Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.501	0.251	0.247	0.3495267

Based on the results presented in Table 6, financial factor was found to be satisfactory in explaining students’ retention. This was supported by the coefficient of determination, also

known as the R square of 0.251 (25.1 %). This implied that financial factors explained 25.1% of the variations in students’ retention in private universities in Langata sub-county. The results concurred with the findings of Metcalf (2013) who noted that some of the factors that influenced the retention of the students included financial factors and the nature of the environment supported by the school.

The analysis of variance (ANOVA) shows whether the independent variables are significant in explaining the dependent variable. Hence the analysis of variance (ANOVA) is presented in Table 7

Table 7: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	7.832	1	7.832	64.109	.000
	Residual	23.334	191	.122		
	Total	31.166	192			

The results in Table 7 indicate that the overall model was statistically significant. The results meant that financial factors were good predictors in explaining students’ retention in private universities in Langata sub-county, Nairobi County. This was supported by an F statistic of 64.109 and the reported p-value of 0.000, which was less than the conventional probability significance level of 0.05. The results agree with the findings of Felter (2015) who established that students whose parents have a higher financial status performed better than students whose parents have low financial status. Osman, O’leary, Brimble and Jahmani (2017) showed that some of external factors, internal factors and demographic factors indeed impacts the attrition and retention rates of students. Moreover, Kilungu (2015) indicated that factors influencing student retention include family responsibilities, job-related factors and economic factors. Moreover, Koech (2017) established that disciplinary suspension has negative psychological effects on suspended students. In addition, Crosne, Johnson and Elder (2014) found that additional funding of private schools leads to better academic performance and more access to resources such as computers, which have been shown to enhance academic achievement and retention.

The researcher also presented the regression of coefficients. The regression of coefficients is presented in Table 8

Table 8: Regressions of Coefficient

Model		Unstandardized Coefficients	Standardized Coefficients	t	Sig.
		B	Std. Error	Beta	
1	(Constant)	-0.174	0.201		-0.866 0.387
	Financial factors	0.121	0.044	0.126	2.739 0.007

The Multiple regression model;

$$Y = -0.174 + 0.121X$$

Based on the results presented in Table 8, financial factors were found to be positively and significantly related to students' retention ($\beta=.121$ $p=0.007$). This was supported by a calculated t-statistic of 2.739 that is larger than the critical t-statistic of 1.96. This meant that a unitary improvement in financial factors lead to an increase in students' retention in private universities in Langata sub-county by 0.121 units holding other factors constant. The results concur with the findings of Felter (2015) who established that students whose parents have a higher financial status performed better than students whose parents have low financial status. Also, Matias (2019) revealed that the main factors that influence the retention of the students include level of poverty, management of schools, students and staff indiscipline and working relations in schools.

5.0 CONCLUSIONS

The correlation analysis showed that financial factors and retention of the students was positively and significantly associated. Besides, with reference to the regression of coefficient, it was established that financial factors and student's retention was positively and significantly related. The study concluded main financial factors included cost of accommodation, tuition fees, financial support such as scholarship and commuting costs.

6.0 RECOMMENDATIONS

Financial factors were found to have a positive relationship with students' retention. The study recommended that the cost of accommodation need to be affordable to the students. Also, the fees charged to students need to be reviewed from time to time and should be made affordable. The study also recommended the school management to establish financial support such as scholarship to the needy students.

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