

Moderating Influence of Government Legislation on the Influence of Organizational Capability on Internationalization Status of Public Universities in Kenya

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Accepted: 06 July 2026 || Published: 14 August 2026

Abstract

The objective was to analyze the moderating influence of Government Legislation on the relationship between organizational capability and the internationalization status of public universities in Kenya. The study adopted a descriptive cross-sectional research design. The unit of analysis in this study was 31 public chartered universities in Kenya. The total number of respondents from the thirty-one public universities was eight, bringing the total to two hundred and forty-eight. Since the population was small, no sampling was done, and a census approach was applied in the investigation. This investigation used quantitative data. To analyze quantitative data, descriptive analysis, factor analysis, and inferential statistics were used. Descriptive analysis included the means and standard deviations. The study findings showed that government legislation does moderate the influence of managerial capability, knowledge management capability, and technological capability on internationalization status in public universities in Kenya. However, Government Legislation does not moderate the influence of financial capability on internationalization status in public universities in Kenya. Therefore, the study concluded that government legislation moderated the relationship between managerial capability, knowledge management capability, and technological capability and internationalization status in public universities in Kenya. However, the study concluded that government legislation does not moderate the influence of financial capability on internationalization status in public universities in Kenya. The study therefore recommends that the government, through the relevant ministries, should enhance its policies to promote the engagement of international staff whose presence and perspectives in Kenyan universities are a great boost in internationalization. This is because, through the engagement of such staff, universities gain new collaborations, opportunities for funding from their developed countries, capacity-building opportunities for students and staff through academic exchange in other countries, as well as international joint publications.

Keywords: *Government Legislation, organizational capability, internationalization status, public universities*

How to Cite: Kirugumi, A. T., Theuri, M., & Magu, D. M. (2026). Moderating Influence of Government Legislation on the Influence of Organizational Capability on Internationalization Status of Public Universities in Kenya. *Journal of Strategic Management*, 6(4), 44-66.

1. Introduction

Internationalization of universities is an evolving issue that has been defined and presented in varied ways across contexts. Otieno (2018) observes that, despite internationalization being at the forefront of strategy development and objective setting in higher education institutions, its definition remains the subject of numerous debates. Internationalization, according to De Wit et al. (2015), is the process of incorporating a global or international concept into the mission, objectives, or delivery of university education to improve the quality of research and education for all staff members and students, and to have an effect on society at large.

Otieno (2018) revealed that the engagement of organizational capabilities leads to growth and enlargement of organizations internationally and subsequently intensifies the firm's accomplishments. According to Teece (2014) organizational capabilities are directly connected to effective internationalization. Teece (2014) further emphasized that organizations operating in difficult and competitive settings need more than inherent resources to gain a competitive advantage in the global scene. These companies need extraordinary skills, such as the ability to manage their resources and to use complementary and specialized resources globally. The more a company's operating conditions evolve, the more important its organizational capabilities become and the greater their impact on performance (Knight & De Wit, 2018).

In addition, Weima (2017) indicated that institutional internationalization initiatives are affected by Government Legislation and that, although the magnitude of the effects of the policies varies from context to context, there is a connection between Government Legislation and internationalization. Li (2016) asserts that every country's government has a direct or indirect responsibility over internationalization in institutions of higher learning. The approaches and participation mechanisms differ between countries, and hence the need to study the role of governments in shaping internationalization in a country. In China, for instance, Li states that learning institutions function as educational bodies and as government entities that implement government policies and missions. Thus, internationalization in China's tertiary institutions is deliberately and tactically planned by the government, thereby necessitating that educational institutions design their policies and strategies in the context of government legislation.

Henard et al. (2012) indicate that, despite higher education institutions being independent, government legislation has a bearing on their cross-border initiatives. Weima (2017) cites examples of Government Legislation that affect internationalization in institutions, including immigration laws, financial mechanisms, legal structures, and government strategies. Hence, there is a need to understand how government legislation affects internationalization in universities.

1.1 Problem Statement

In an effort to ensure they can advance and maintain their internationalization status, universities are urged to leverage competitive advantages by integrating organizational capabilities. Additionally, researchers are highlighting the importance of understanding internal capabilities as a powerful predictor of successful performance, and universities are increasingly being questioned about their capacity to withstand the rapid changes in the commercial, technical, and societal arena. Through the Kenya Government Agenda Four, emphasis has been placed on education as a mechanism for development, especially in emerging countries such as Kenya. In addition, the Kenya Vision 2030 aims to build a globally competitive country, with Education and Training as one of the key drivers of social transformation.

The current state of internationalization in Kenyan colleges is low. The consistently low regional and international rankings serve as proof of this. Notably, the July 2020 webometrics assessment indicated that only six of Kenya's 74+ universities ranked in the top 200 in Africa. Furthermore, only the University of Nairobi, at number 957, made it to the top 1000 worldwide, making the situation much worse. In contrast, South Africa, which boasted more than 20 universities, was ranked among Africa's top 200. No Kenyan university was listed among the top 25 in the continent in the Nature Index 2018 Rising Stars ranking, which is conducted by the prestigious worldwide journal "Nature." Furthermore, in the University Ranking by Academic Performance (URAP) assessment, which was published in June 2020, only five Kenyan universities were listed.

The Times Higher Education (THE) ranking report for 2023 indicates that only 2 universities in Kenya, the University of Nairobi and Egerton University, made it onto the list of the 1799 best universities ranked globally. This is in comparison with South Africa, which had 16 universities; Egypt, with 50 universities; Japan, with 175 universities; Germany, with 75 universities; the USA, with 200 universities; and the United Kingdom, with 175 universities, all featuring in the top 1799 universities in the world.

1.2 Objective of the Study

The objective of the study was to analyze the moderating influence of government legislation on the relationship between organizational capability and the internationalization status of public universities in Kenya.

2. Literature Review

2.1 Theoretical review

This study will be informed by Internationalisation Theory (Uppsala Theory). This theory is also referred to as the Uppsala theory, as it is centered on studies conducted at the University of Uppsala. The proponents of this theory are Johanson and Wiedersheim (1975) in their research on Volvo, Atlas Copco, Facit, and Sandvik, Swedish firms. This theory states that internationalization refers to an organization's perceptions of international activities or the actual undertaking of such activities. The theorists note that these perceptions are the premises for choices on internationalization and that the knowledge from internationalization ventures affects these perceptions.

Schweizer and Vahlne (2022) argue that the theory was initially proposed to illuminate an organization's path to internationalization and has been employed in discussions of globalization and the internationalization of entrepreneurial organizations (Vahlne & Ivarsson, 2014). The theory has been credited for the development of managerial literature on international businesses. However, critics of the theory argue that it does not account for an individual's contribution to the organization's internationalization process (Schweizer & Vahlne, 2022). Noting that there is a growing reference to the comprehension of how individual behavior affects organizations and their strategic choices, Schweizer and Vahlne (2022) further criticize that the theory ignores research by Maitland and Sammartino (2015), who found that an individual's (manager) behavior impacts the strategic choices relating to internationalization.

2.2 Empirical Review

Tamtik (2017) comparatively analysed the Canadian and the European Union's macro-regional policies to establish who governs internationalization in tertiary learning. The study was undertaken by applying the multi-level governance (MLG) theory and reviewing secondary literature. The study showed that while an aggressive marketization approach is being formulated, Canada will benefit from intensifying worldwide competition; on the other hand, the EU is adopting a scholar-centered strategy that is more comprehensive and aimed at balanced, high-quality partnerships. In connection with economic growth, internationalization is presented as a core societal challenge, a challenge exacerbated by an aging population and a shortage of skilled workers. The study employed a desktop research design, thereby indicating a methodological gap.

Angulo-Ruiz et al. (2019) studied the institutional responses of 672 firms in a survey conducted by the Canadian Asia Pacific Foundation and the Chinese Council for the Advancement of International Trade. The study found that government promotional actions in the form of guarantees and capital enhance the competitive advantage of new companies. The findings implied that decision-makers needed to develop policies to help newly established ventures build the capabilities required to thrive in the marketplace. The study was conducted in the Republic of China, while the current study was undertaken in the Republic of Kenya.

Crăciun (2018) assessed the internationalization of universities' national policies. The study affirms the importance of taking stock of the current state of affairs and focuses on 36 European countries. The study also employed focus groups and interviews as part of its methodology. The analysis found the world dominated by divergent efforts to internationalize higher education, with countries adopting nationwide policies. Universities in countries where higher education largely depends on public funding, without a clear national framework for internationalization, can undermine the effectiveness and efficiency of institutional internationalization policies. The study was conducted in the European Union, while the current study was undertaken in the Republic of Kenya.

Tartaglione (2019), in their study on assessment of the contribution of dynamic capabilities in the internationalization of Gradual Global SMEs, referred to the Uppsala model as useful in identifying organizational capabilities vital for the development of global markets, such as the ability to seize growth opportunities, allocate resources within and outside the organization, and explore new markets and countries. However, they noted that the theory has been criticized for inadequately addressing international performance variance, as it lacks a focus on key attributes such as entrepreneurial intention, managers' international orientation, and dynamic capabilities, which substantially influence strategic focus and performance. The study focused on SMEs and excluded public universities.

Dawei (2008) conducted a study on entry strategies and the internationalization of enterprises through a case study of the Chinese firm Huawei. It was revealed that Huawei had entered into partnerships and established owned subsidiaries to pursue highly technical global collaborations. Huawei has also embraced strategic alliances and joint ventures following China's financial transformations. Moreover, the research established that the company's proprietors and the administration influenced the business strategy, although the internationalization strategy was determined by the organization's long-term goals, products, financial resources, and capabilities. Other determinants included external forces such as industry factors. The study was conducted in the Republic of China, while the recent study was undertaken in the Republic of Kenya.

Yesufu (2018) at a Canadian university assessed internationalization measures in higher education. The study was conducted on twenty-six tertiary institutions in Canada located in the Province of Alberta. These institutions comprised public and private universities, colleges, and two technical institutes. Twelve managers of academic programs and institutional partnerships were interviewed using a semi-structured format. Using the Knight Internationalization measure, the investigation found that universities' motivation for internationalization was the prospect of additional income to offset government funding reductions. Moreover, internationalization provides development opportunities for staff and curriculum, and offers additional advantages that contribute to societal development. The study was undertaken in the Republic of Canada, while the current study was undertaken in the Republic of Kenya.

3. Methodology

3.1 Research Design

The current study employed a descriptive, cross-sectional research design. Cooper and Schindler (2013) state that descriptive studies enable the investigator to explain phenomena or characteristics of the population under study and to establish relationships among variables.

3.2 Study Population

There are forty-nine chartered universities in Kenya, both public and private (CUE, 2018). There are thirty-one public chartered universities and eighteen private chartered universities. The unit of analysis in this study was 31 public chartered universities in the Republic of Kenya. The unit that was under observation was the specific respondents in each institution comprising the Registrars of Academic Affairs and Administration, Directors of Research, ICT and International Programmes and Linkages, and the Managers in charge of Finances, Human Resources, and Public Relations. The total number of respondents from the thirty-one public universities was eight, bringing the total to two hundred and forty-eight. Therefore, the target population comprised the study's unit of observation, namely 248 respondents. Since the population was not large, there was no need for sampling; hence, a census approach was adopted in the investigation. Kothari (2019) describes a census as a complete enumeration of all items in the population.

3.3 Data Collection Techniques

To collect primary data, standardized questionnaires were distributed. This study employed a structured questionnaire. Each objective was covered in its own section to ensure a thorough thrashing out of the item. The questionnaires were emailed, hand-delivered, or dispatched by courier to far-flung areas; follow-ups were made via phone calls and messages to ensure an acceptable response rate. Research assistants were engaged to collect the data owing to the wide coverage across counties.

3.4 Data Analysis

This investigation used quantitative data (Zikmund et al., 2013). Descriptive analysis, factor analysis, and inferential statistics were used to analyze quantitative data. Descriptive analysis consisted of means and standard deviations.

4. Results and Discussion

4.1 Factor Analysis

Factor analysis was used to reduce dimensionality while preserving the most significant factors for each variable, thereby informing the most important statements for the independent, moderating, and dependent variables.

4.1.1 Drivers for Internationalization Status of public universities

Factor analysis was also conducted on statements regarding internationalization status. The results are presented in the subsections below (a-d).

a) Test for Sampling Adequacy for Internationalization Status

Table 1: Sampling Adequacy for Internationalization Status

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.862
Bartlett's Test of Sphericity	Approx. Chi-Square	750.175
	Df	28
	Sig.	0.000

According to Table 1, the internationalization status KMO value was 0.862, significantly higher than the suggested minimum threshold of 0.5. This statistic suggests that the factorability of the statements used to gauge internationalization status was sufficient.

Additionally, the results demonstrate that Bartlett's Test of Sphericity yielded an association p-value of $p=0.00$ and a Chi-square statistic of 750.175 with 28 degrees of freedom. According to this statistic, the statements that gauge internationalization status are closely related and, as a result, appropriate for Principal Component Analysis structure discovery. This study verified that additional factor analysis of the response variable, internationalization status, could be conducted based on the sample adequacy test results.

b) Total Variance for Internationalization Status

Table 2: Results of Total Variance for Internationalization Status

Compon ent	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulati ve %	Total	% of Variance	Cumulative %
1	4.846	60.579	60.579	4.846	60.579	60.579
2	0.939	11.734	72.314			
3	0.718	8.976	81.29			
4	0.485	6.057	87.347			
5	0.374	4.674	92.021			
6	0.285	3.558	95.579			
7	0.212	2.655	98.234			
8	0.141	1.766	100			

According to Table 2, one component had an eigenvalue of 4.846, which explained 60.579% of the variance overall. The explained variance is significantly higher than the 50% minimum recommended criterion (TVE). Since the total variance explained (TVE) exceeds the suggested

50% threshold, these results indicate that a single component is sufficient to measure internationalization status (Tabachnick & Fidel, 2012).

c) Scree Plot for Internationalization Status

The scree test results obtained in the study are presented in Figure 2 below.

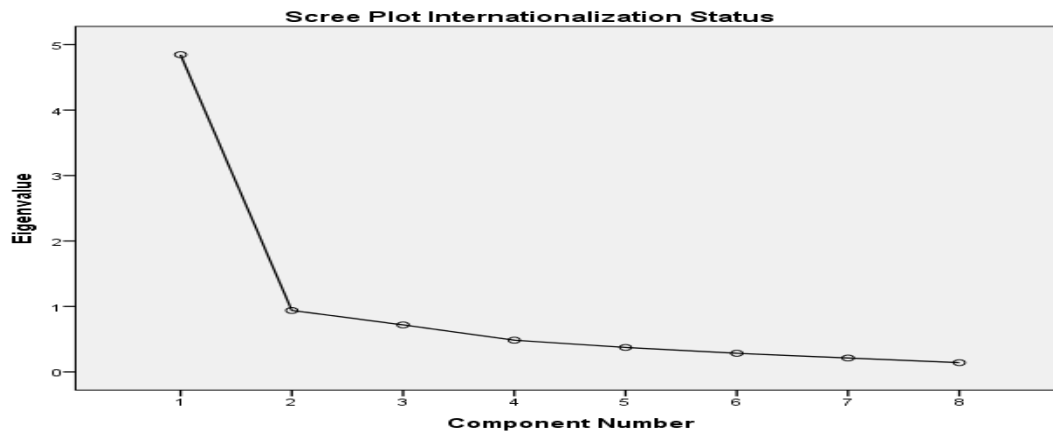


Figure 2: Scree Plot Internationalization Status

Since the curve levels off after the first component, one component can be kept, according to the scree plot. As seen in the total variance explained by eigenvalues >1 , the scree plot thus supports retaining one component.

d) Rotated Component Matrix for Internationalization Status

Table 3: Results of Rotated Component Matrix for Internationalization Status

	Component
The institution maintains lines of communication with its foreign partners.	0.901
The institution actively collaborates and maintains connections with universities across the globe.	0.862
International professional organizations have cooperated with the university.	0.813
To increase the number of international students enrolled, the university advertises study possibilities.	0.809
International research conferences are held at the university.	0.783
University employees collaborate on publications with researchers from throughout the world.	0.704
The university is associated with global networks.	0.676
The university employs scholars from around the world.	0.640

All internationalization status drivers exhibited factor loadings ranging from 0.640 to 0.901, as shown in Table 3. As a result, all statements were retained because their factor loadings exceeded the 0.4 threshold (Tabachnick & Fidell, 2012; Montgomery, Peck, and Vining, 2001). Based on this investigation, eight statements and one construct were used to quantify internationalization status. All statements used to gauge internationalization status were retained, as reported in these studies.

4.1.2 Drivers for Managerial Capability

a) Test for Sampling Adequacy for managerial capability

Table 4: Sampling Adequacy for managerial capability

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.883
Bartlett's Test of Sphericity	Approx. Chi-Square	879.173
	Df	28
	Sig.	0.000

According to Table 4, the management capacity KMO score was 0.883, significantly higher than the recommended minimum threshold of 0.5. This figure suggests that the managerial capability claims were sufficient for factorability.

Additionally, the findings demonstrate that Bartlett's Test of Sphericity yields an association p-value of $p=0.00$ and a Chi-square statistic of 879.173 with 28 degrees of freedom. According to this statistic, the statements assessing managerial abilities are closely related and, as a result, appropriate for Principal Component Analysis to discover structure. This study confirmed that further factor analysis of the predictor variable, management capability, could be conducted based on the sample adequacy test results.

b) Total Variance for Managerial Capability

The analysis of principal components with orthogonal (Varimax) rotation was undertaken to establish how the components loaded.

Table 5: Results of Total Variance for Managerial Capability

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.872	60.898	60.898	4.872	60.898	60.898
2	0.859	10.738	71.636			
3	0.623	7.794	79.43			
4	0.436	5.447	84.877			
5	0.407	5.084	89.96			
6	0.342	4.275	94.235			
7	0.257	3.206	97.441			
8	0.205	2.559	100			

According to Table 5, component one had an eigenvalue of 4.872, explaining 60.898% of the overall variance. The explained variance is significantly higher than the 50% minimum recommended criterion (TVE). Given that the total variance explained (TVE) exceeds the suggested 50% threshold, our findings indicate that a single component is sufficient for

measuring management skill (Tabachnick & Fidel, 2012). This indicates that 60.898% of the total variance was explained by the single extracted factor out of the eight components.

c) Scree Plot for Managerial Capability

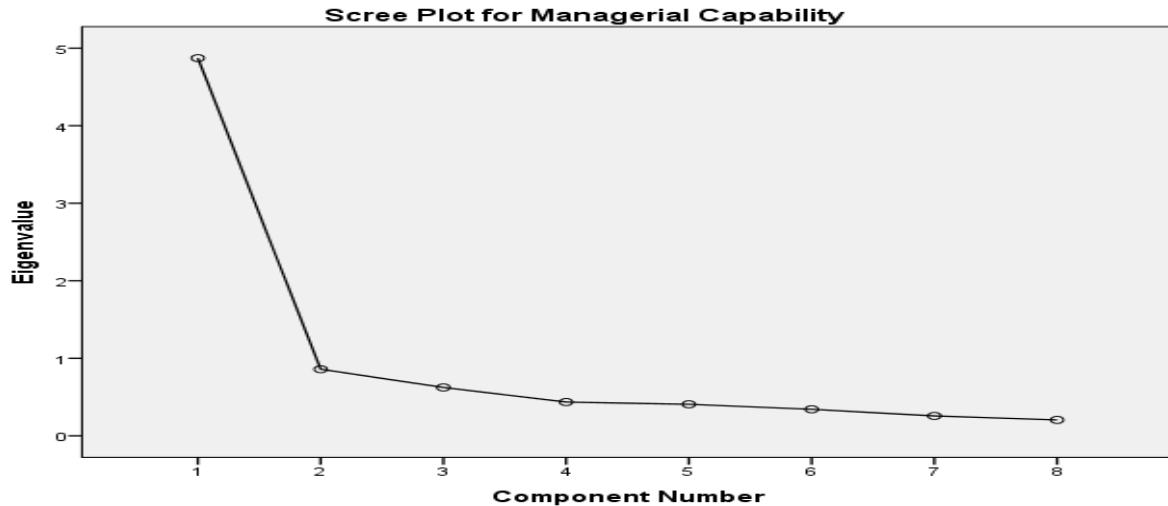


Figure 3: Scree Plot for Managerial Capability

The line was nearly flat from the first factor on, as seen in Figure 3. This indicates that a decreasing percentage of the overall variance is explained by each subsequent factor that follows the initial factor.

d) Rotated Component Matrix for Managerial Capability

The components of managerial capability were rotated, which enabled the reduction in the number of factors on which variables were under investigation.

Table 6: Results of Rotated Component Matrix for Managerial Capability

Statement	Component
The administration has made explicit plans to enhance the university's internationalization.	0.854
Capacity to gather and assess data related to internationalization	0.828
The management's efficient use of human and financial resources has helped achieve the objectives of internationalization.	0.812
Management's vision has advanced the university's globalization.	0.797
Internationalization is made possible by the institutional culture.	0.786
The organizational structure has encouraged internationalization.	0.766
The university's standing in internationalization has improved due to the caliber and standards of its programs.	0.749
Management's objective assessment and judgment help determine the most effective internationalization plan.	0.63

All managerial capability drivers had factor loadings ranging from 0.630 to 0.854, as shown in Table 6. As a result, all statements were retained because their factor loadings exceeded the 0.4 threshold (Tabachnick & Fidell, 2012; Montgomery, Peck & Vining, 2001). Based on this

investigation, eight statements and one construct were used to quantify management capability. All statements chosen for the managerial capability assessment were retained based on these analyses.

4.1.3 Drivers for Knowledge Management Capability

a) Test for Sampling Adequacy for Knowledge Management Capability

Table 7: Sampling Adequacy for Knowledge Management Capability

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.867
Bartlett's Test of Sphericity	Approx. Chi-Square	857.531
	Df	36
	Sig.	0.000

According to Table 7, the KMO value for knowledge management capability was 0.867, significantly higher than the suggested minimum threshold of 0.5. According to this data, the statements used to gauge knowledge management proficiency were sufficiently factorable.

Additionally, the findings demonstrate that Bartlett's Test of Sphericity yields an association p-value of $p=0.00$ and a Chi-square statistic of 857.531 with 36 degrees of freedom. According to this data, the statements assessing knowledge management skills are closely related and, as a result, appropriate for Principal Component Analysis to discover structure. This study verified that additional factor analysis of the predictor variable, knowledge management capability, could be conducted based on the sample adequacy test results.

b) Total Variance for Knowledge Management Capability

Table 8: Results of Total Variance for Knowledge Management Capability

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.92	54.664	54.664	4.92	54.664	54.664
2	0.98	10.886	65.55			
3	0.737	8.192	73.743			
4	0.637	7.083	80.825			
5	0.449	4.992	85.817			
6	0.405	4.498	90.315			
7	0.356	3.952	94.267			
8	0.316	3.509	97.776			
9	0.2	2.224	100			

According to Table 8, component one had an eigenvalue of 4.92 and explained 54.664% of the variance overall. The explained variance is significantly higher than the 50% minimum recommended criterion (TVE). Since the total variance explained (TVE) exceeds the suggested

50% threshold, these results indicate that a single component is sufficient to measure knowledge management competency (Tabachnick & Fidel, 2012).

c) Scree Plot for Knowledge Management Capability

The scree test results are displayed in Figure 4.6 below.

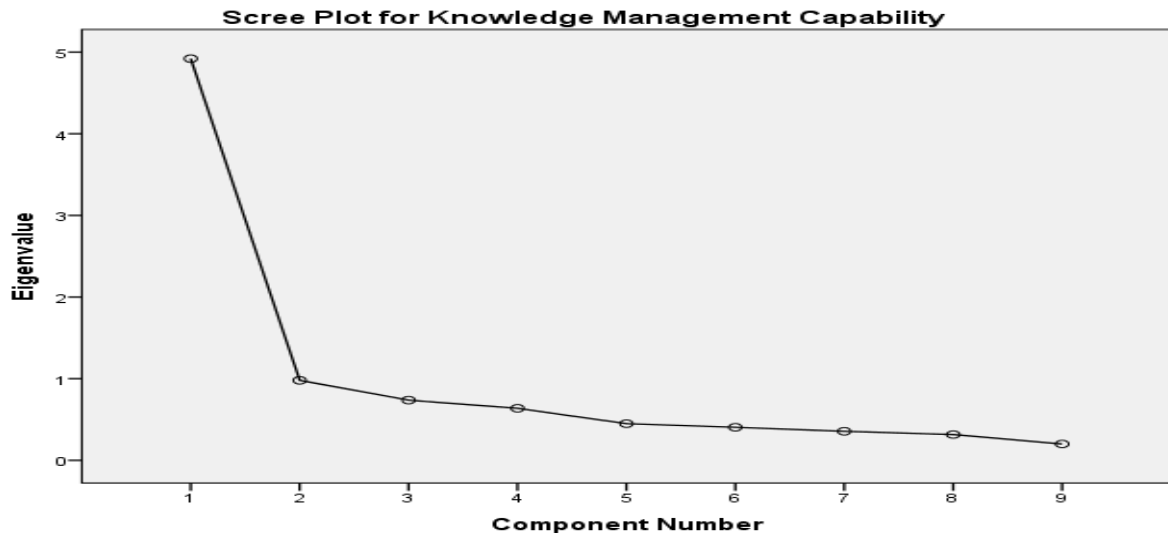


Figure 4: Scree Plot for Knowledge Management Capability

The line was nearly flat from the first factor on, as seen in Figure 4. This indicates that a decreasing percentage of the overall variance is explained by each subsequent factor that follows the initial factor.

d) Rotated Component Matrix for Knowledge Management Capability

Table 9: Results of Rotated Component Matrix for Knowledge Management Capability

	Component
The improved university services are a result of the internationalization knowledge acquired.	0.853
Internationalization has been improved by sharing and disseminating information through workshops and conferences.	0.770
Internationalization is improved by the use of institutional knowledge.	0.759
Internationalization has been improved by the university's development of knowledge repositories.	0.750
The university's internationalization status has increased through the sharing of internationalization success stories and reports.	0.738
Internationalization efforts are aided by the university's knowledge management policy.	0.725
The institution's foreign efforts have been successful due to knowledge transfer and learning.	0.706
The relationships and institutional networks aid in the creation of knowledge on internationalization.	0.696
The institution's internationalization status has improved since its staff has access to internationalization knowledge.	0.639

All knowledge management competence drivers had factor loadings ranging from 0.639 to 0.853, as shown in Table 9. As a result, all statements were retained because their factor loadings exceeded the 0.4 threshold (Tabachnick & Fidell, 2012; Montgomery, Peck & Vining, 2001). Based on this investigation, nine statements and one construct were used to quantify knowledge management capacity. All statements used to gauge knowledge management proficiency were retained based on these analyses.

4.1.4 Drivers for Technological Capability

Factor analysis was also performed on the statements attributed to technological capability. The results are presented in the subsections below (a-d).

a) Test for Sampling Adequacy for Technological Capability

Table 10: Sampling Adequacy for Technological Capability

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.897
Bartlett's Test of Sphericity	Approx. Chi-Square	969.444
	Df	36
	Sig.	0.000

According to Table 10, the technological capability KMO value was 0.897, significantly higher than the suggested minimum threshold of 0.5. This figure suggests that the technological capability declarations were sufficient for factorability.

Additionally, the findings demonstrate that Bartlett's Test of Sphericity yields an association p-value of $p=0.00$ and a Chi-square statistic of 969.444 with 36 degrees of freedom. According to this statistic, the assertions that gauge technological capability are closely associated and, as a result, appropriate for Principal Component Analysis structure discovery. This study verified that additional factor analysis of the predictor variable, technological capability, could be conducted based on the sample adequacy test results.

b) Total Variance for Technological Capability

Table 11: Results of Total Variance for Technological Capability

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.219	57.99	57.99	5.219	57.99	57.99
2	0.854	9.483	67.474			
3	0.772	8.58	76.053			
4	0.613	6.812	82.866			
5	0.444	4.931	87.797			
6	0.342	3.799	91.596			
7	0.29	3.222	94.817			
8	0.247	2.748	97.565			
9	0.219	2.435	100			

According to Table 11, component one had an eigenvalue of 5.219 and explained 57.99% of the variance overall. The explained variance is significantly higher than the 50% minimum recommended criterion (TVE). Given that the total variance explained (TVE) exceeds the suggested 50% threshold, our findings indicate that a single component is sufficient to measure technological skill (Tabachnick & Fidel, 2012; Kline, 2014).

c) Scree Plot for Technological Capability

The scree test results are shown in Figure 5 below.

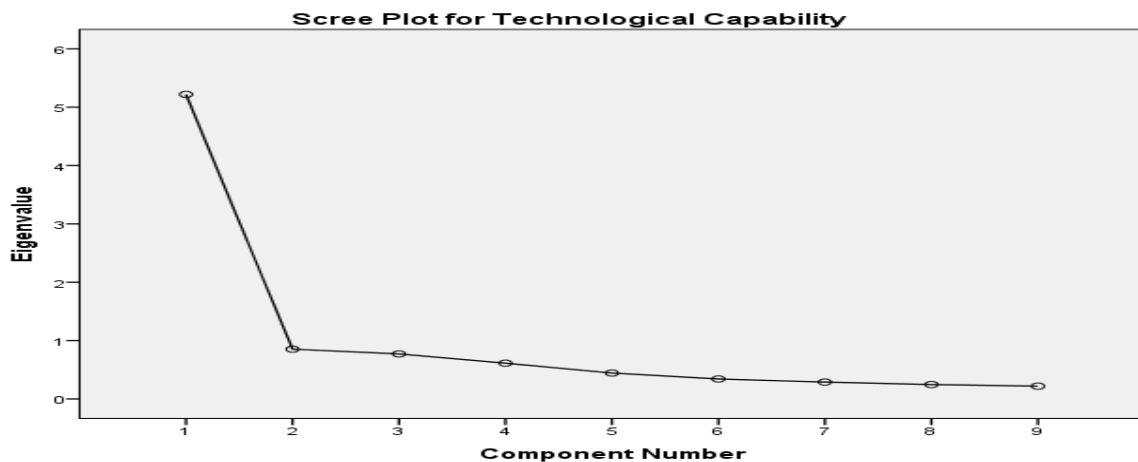


Figure 5: Scree Plot for Technological Capability

The path was nearly flat from the first factor on, as seen in Figure 5. This indicates that a decreasing percentage of the overall variance is explained by each subsequent factor that follows the initial factor.

d) Rotated Component Matrix for Technological Capability

The technological capability components were rotated, thereby reducing the number of factors on which the variables were studied.

Table 12: Results of Rotated Component Matrix for Technological Capability

	Component
Internationalization is enhanced by use of online platforms for teaching and research	0.867
Integration of the latest technologies into existing operations aids in internationalization	0.841
Continuous training programmes to employees boost their ICT skills	0.833
Having adequate ICT infrastructure aids in internationalization	0.831
The technological capability of the university enables the institution to attain competitive advantage over other institutions	0.785
Having competent staff in the ICT department enhances internationalization	0.719
IT capabilities enable the institution to mitigate against contextual risks and limitations in the educational sector	0.701
Advancements in communication technologies such as video conferencing, social media, and online payments have enhanced the internationalization status of the university	0.649
Adaptation to technological changes in the education system has enhanced internationalization	0.574

All of the technological capability drivers had factor loadings ranging from 0.574 to 0.867, according to the results in Table 12. As a result, all statements were retained because their factor loadings were higher than the 0.4 threshold (Tabachnick & Fidell, 2012; Montgomery, Peck, and Vining, 2001). Based on this investigation, nine statements and one construct were used to measure technological capabilities. All statements chosen for the technological capability measurement were retained based on these analyses.

4.1.5 Drivers for Financial Capability

Factor analysis was undertaken on the financial capability statements. The results are presented in the subsections below (a-d).

a) Test for Sampling Adequacy for Financial Capability

Table 13: Sampling Adequacy for Financial Capability

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.853
Bartlett's Test of Sphericity	Approx. Chi-Square	874.809
	Df	36
	Sig.	0.000

According to Table 13, the financial competence KMO score was 0.853, significantly higher than the suggested minimum threshold of 0.5. This figure suggests that the financial capacity statements were sufficient for factorability.

Additionally, the findings demonstrate that Bartlett's Test of Sphericity yields an association p-value of $p=0.00$ and a Chi-square statistic of 874.809 with 36 degrees of freedom. According to this data, the financial capability statements are highly connected and, as a result, appropriate for Principal Component Analysis structure discovery. This study verified that further factor analysis of the predictor variable, financial competence, could be conducted based on the sample adequacy test results.

b) Total Variance for Financial Capability

Principal component analysis with orthogonal (Varimax) rotation was performed to establish component loadings.

Table 14: Results of Total Variance for Financial Capability

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.745	59.312	59.312	4.745	59.312	59.312
2	0.805	10.06	69.372			
3	0.777	9.713	79.085			
4	0.554	6.93	86.015			
5	0.347	4.34	90.354			
6	0.33	4.119	94.473			
7	0.282	3.523	97.996			
8	0.16	2.004	100			

According to Table 14, component one had an eigenvalue of 4.745 and explained 59.312% of the variance overall. The explained variance is significantly higher than the 50% minimum recommended criterion (TVE). Given that the total variance explained (TVE) exceeds the suggested 50% threshold, our findings indicate that a single component is sufficient for measuring financial aptitude (Tabachnick & Fidel, 2012; Kline, 2014).

c) Scree Plot for Financial Capability

The scree test results obtained in the study are presented in Figure 6 below.

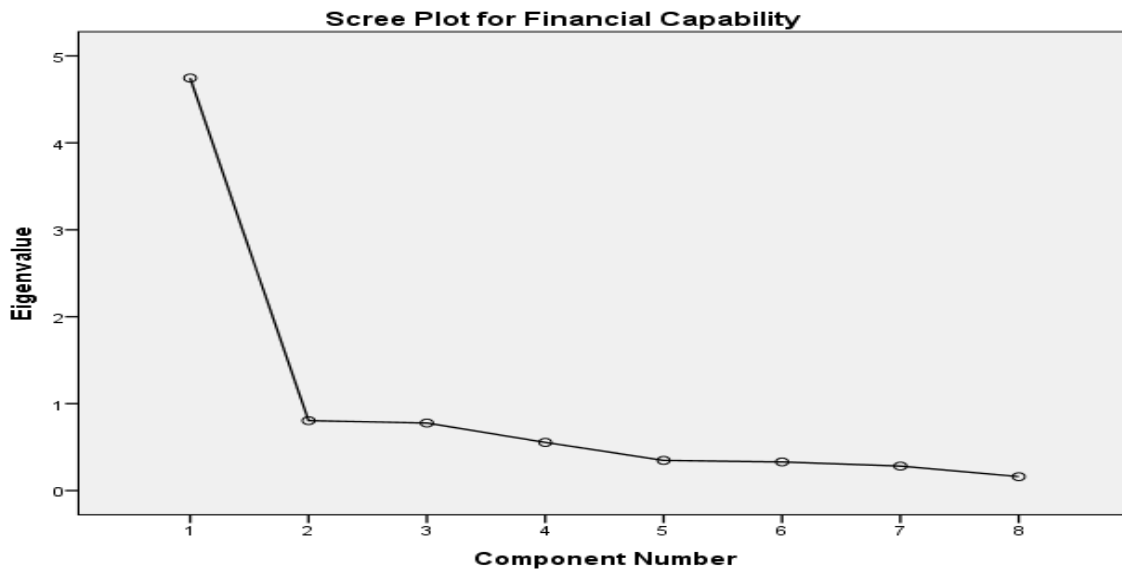


Figure 6: Scree Plot for Financial Capability

The line was nearly flat from the first factor, as seen in Figure 6. This indicates that a decreasing percentage of the overall variance is explained by each subsequent factor that follows the initial factor.

d) Rotated Component Matrix for Financial Capability

Table 15: Results of Rotated Component Matrix for Financial Capability

	Component
Financial support for international professors' visits enhances the internationalization status of the university	0.862
Financial support by the university for international students' activities boosts internationalization status	0.846
Offering attractive courses to international students boosts the enrolment of international students	0.814
The university's financial policies have enabled the university to become competitive internationally	0.785
Level of financial support by the university affects the number of international activities by staff	0.77
Financial innovation enables the university to remain sustainable locally and internationally	0.76
Funding from external sources has enhanced the internationalization of the university	0.681
International exchanges and collaborations have strengthened the university's financial performance	0.612

All financial competence drivers had factor loadings between 0.612 and 0.862, as shown in Table 15. This indicates that all financial capability measures are closely related and may thus be readily merged into a single factor.

Financial competence statements were the sole measure of financial aptitude in the study's findings.

4.1.6 Drivers for Government Legislation

The statements regarding government legislation were subjected to factor analysis. The results are presented in the subsections below (a-d).

a) Test for Sampling Adequacy for government legislation

Table 16: Sampling Adequacy for government legislation

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.868
Bartlett's Test of Sphericity	Approx. Chi-Square	593.571
	Df	15
	Sig.	0.000

According to Table 16, the KMO value for government legislation was 0.868, significantly higher than the recommended minimum of 0.5. According to this statistic, government legislation was measured using statements sufficient for factorability.

Additionally, the results demonstrate that Bartlett's Test of Sphericity yields an association p-value of $p=0.000$ and a Chi-square statistic of 593.571 with 15 degrees of freedom. According to this statistic, the statements used to measure government laws are closely related and, as a result, appropriate for Principal Component Analysis structure discovery. This study verified that additional factor analysis of the predictor variable, government legislation, could be conducted based on the results of the sample adequacy test.

b) Total Variance for Government Legislation

Principal component analysis with orthogonal (Varimax) rotation was undertaken to establish component loadings.

Table 17: Results of Total Variance for Government Legislation

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.871	64.523	64.523	3.871	64.523	64.523
2	0.576	9.606	74.129			
3	0.56	9.326	83.455			
4	0.462	7.708	91.163			
5	0.301	5.019	96.182			
6	0.229	3.818	100			

According to Table 17, component one had an eigenvalue of 3.871 and explained 64.523% of the variance overall. The explained variance is significantly higher than the 50% minimum recommended criterion (TVE). Given that the total variance explained (TVE) exceeds the suggested 50% threshold, our findings indicate that a single component is sufficient for measuring government legislation (Tabachnick & Fidel, 2012).

c) Scree Plot for Government Legislation

The scree test results obtained in the study are presented in Figure 7 below.

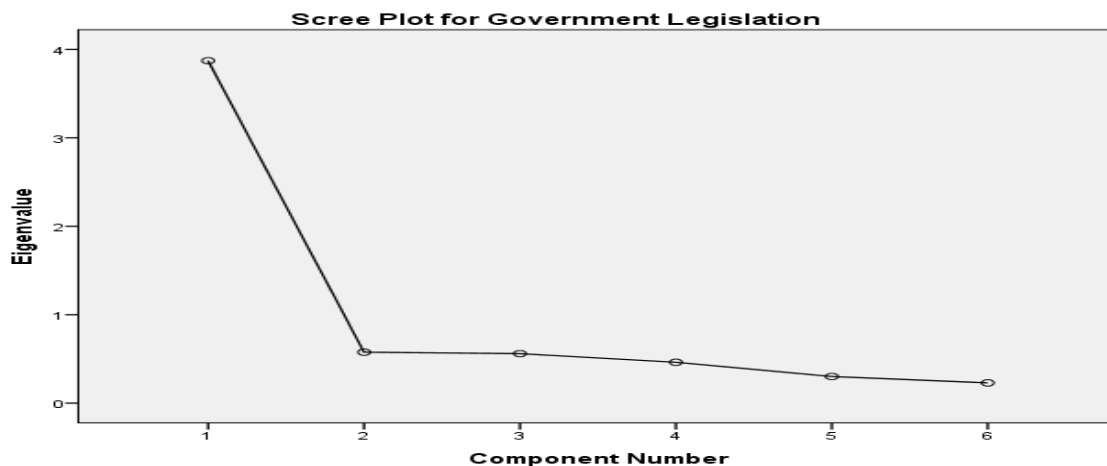


Figure 7: Scree Plot for Government Legislation

The line was nearly flat from the first factor on, as seen in Figure 7. This indicates that a decreasing percentage of the overall variance is explained by each subsequent factor that follows the initial factor.

d) Rotated Component Matrix for Government Legislation

The rotated components of Government Legislation minimized the number of factors considered in the variables' study.

Table 18: Results of Rotated Component Matrix for Government Legislation

	Component
Government's evaluation and accreditation system has affected the enrolment of foreign students	0.869
Government legislation influences investment by foreign investors in the educational sector	0.841
Government funding has influenced university research and development	0.836
Government legislation affects the recruitment of international staff	0.777
Government legislation has affected the establishment of successful cross-border programs for the university	0.763
Government legislation has an effect on the competitiveness of universities internationally	0.724

All drivers of government legislation had factor loadings between 0.724 and 0.869, according to the results in Table 18. As a result, all statements were retained, as their factor loadings were higher than the 0.4 threshold (Tabachnick & Fidell, 2012; Montgomery, Peck & Vining, 2001). According to this analysis, six assertions and one construct were used to measure government legislation. All statements chosen to measure government legislation were retained based on these evaluations.

4.2 Regression before Moderation

The study investigated the combined effect of organizational capabilities on internationalization status. Regression was undertaken on organizational capabilities against the status of internationalization to describe the correlation.

a) Multivariate Regression of Organizational Capability and Internationalization Status

In this regard, a regression of organizational capabilities on internationalization status was conducted to assess the correlation between these variables.

Table 19: Model Fitness for Organizational Capabilities and Internationalization Status

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.851a	0.725	0.719	0.53269

According to Table 19, the R was 0.851. This suggests that the internationalization of Kenyan public universities was strongly correlated with organizational capacities. Furthermore, the R-squared value was 0.725. This suggests that 72.5% of the variance in the dependent variable, the internationalization status of Kenyan public universities, can be explained by organizational capabilities. This suggests that variables not included in the model account for 27.5% of the variance in the dependent variable.

Further analysis was conducted on the model in Table 20 to assess its significance in forecasting the influence of organizational capabilities on the internationalization status of Kenyan public universities, using ANOVA. Table 20 presents the ANOVA results for organizational capabilities and internationalization status of public universities.

Table 20: ANOVA for Organizational Capabilities and Internationalization Status

	Sum of Squares	Df	Mean Square	F
Regression	136.85	4	34.212	120.567
Residual	51.929	183	0.284	
Total	188.778	187		

The results in Table 20 indicate an F statistic of 120.567 with an associated P-value of 0.000, which is less than 0.05. The calculated F statistic was therefore greater than the critical value of 2.372. This implies that the organizational capabilities have statistical significance on the status of internationalization at a 95% confidence level

Table 21 presents the significance of the regression coefficients for the organizational capabilities and internationalization status.

Table 21: Regression of Coefficients for Organizational Capabilities

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	-0.273	0.194		-1.409	0.160
Managerial Capabilities	0.316	0.046	0.32	6.857	0.000
Knowledge management capabilities	0.266	0.059	0.246	4.497	0.000
Technological Capabilities	0.257	0.051	0.255	5.005	0.000
Financial Capabilities	0.257	0.052	0.251	4.939	0.000

Table 21 shows that managerial capability has a beta coefficient of 0.320 and an associated p-value of 0.005. This implies that managerial capabilities explain 0.320 of the variation in internationalization status of public universities in Kenya. These findings align with those of Osei-Bonsu (2013), who indicated that managerial capabilities are one of the chief factors propelling an organization's internationalization process and involve how an organization benchmarks its processes, practices, and management activities for new markets. These findings agreed with Warwick (2014), who indicated that top management incompetence faced by universities was the key barrier to the execution of organization-wide internationalization.

The results further showed that knowledge management capability has a beta coefficient of 0.246 and an associated p-value of 0.005. This implied that organizational capabilities explain 0.246 of the variation in internationalization status of public universities in Kenya. These findings were consistent with Tianrong (2016), who found that knowledge and technology had a significant effect on internationalization among Chinese companies in Russia.

The results further showed that technological capability has a beta coefficient of 0.255 and an associated p-value of 0.005. This implied that technological capability explains 0.255 of the variation in internationalization status. These findings were consistent with Hagsten and Kotnik (2017), whose results showed a positive relationship between ICT capacity and internationalization in HEIs. These findings agreed with Mihut, Altbach and Salmi (2016), who posit that different levels of internationalization call for diverse uses and stages of technology. They suggested a direct link between the internationalization process and the creation of technological capability in the firm under research.

The results further showed that financial capability has a beta coefficient of 0.251 and an associated p-value of 0.005. This implied that financial capability explains 0.251 of the variation in internationalization status.

4.3 Moderating Influence of Government Legislation on the Influence of Organizational Capabilities on Internationalization Status

The goal was to investigate the moderating effect of government legislation on the relationship between organizational capabilities and the status of internationalization in Kenyan public universities. The summary of the model, ANOVA, and regression model coefficients output were generated, and the outcomes were presented in Table 22, Table 23, and Table 24.

A moderator is a variable that can reinforce, weaken, contradict, or even change the correlation between a predictor and response variable. Moderators offer supplementary evidence on the link between independent and dependent variables in a quantitative study by explaining the factors that strengthen, weaken, or even suppress the relationship (Hefner, 2022).

Table 22: Model Fitness for Organizational Capabilities, Government Legislation and Internationalization Status

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.861a	0.742	0.736	0.51611

The R was 0.861, while the R-squared was 0.742 when organizational capabilities and internationalization status were moderated by government legislation. This implied that R^2 improved from 72.5% to 74.2% when organizational capabilities and internationalization status were moderated by government legislation. The increase in R-squared indicated that government legislation strengthened the relationship between organizational capabilities and internationalization status. This implies that government legislation enhanced the relationship between organizational capabilities and internationalization status in public universities in Kenya.

The ANOVA results for government legislation, organizational capability, and internationalization status are presented in Table 23.

Table 23: ANOVA for Government Legislation, Organizational Capability, and Internationalization Status

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	140.034	4	35.008	131.43	.000b
Residual	48.745	183	0.266		
Total	188.778	187			

The Analysis of Variance results, after accounting for organizational capabilities and internationalization status in public universities in Kenya and controlling for government legislation, indicate that the total effect was significant ($p=0.000$), with an F-statistic increasing from 120.567 to 131.43. This further confirms that government legislation strengthened the relationship between organizational capabilities and internationalization status in public universities in Kenya.

Based on these results ($p \leq 0.05$), the study rejected the H_{05} hypothesis that stated that government legislation has no significant moderating influence on the influence of organizational capabilities and internationalization status of public universities in Kenya and concluded that Government Legislation does have a significant moderating effect on the relationship between organizational capabilities and internationalization status of public universities in Kenya.

Table 24: Regression of Coefficients for Government Legislation, Organizational Capability and Internationalization Status

And	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.88	0.098		19.268	0.000
MC.GL	0.06	0.013	0.351	4.506	0.000
KMC.GL	0.065	0.012	0.289	5.474	0.000
TC.GL	0.066	0.017	0.405	3.884	0.000
FC.GL	0.014	0.018	0.087	0.809	0.419

The results further revealed a statistically significant and positive influence of managerial capabilities (MC) on the internationalization status of public universities, with Government Legislation (GL) as the moderator ($\beta = 0.351$, $p = 0.000$). In addition, the results showed a statistically significant and positive influence of knowledge management capability (KMC) on the internationalization status of public universities, in the presence of Government Legislation, which served as the moderator ($\beta = 0.289$, $p = 0.000$). Further, the results showed a statistically significant and positive influence of technological capabilities on the internationalization status of public universities, with Government Legislation as the moderator ($\beta = 0.405$, $p = 0.000$). This implied that government legislation strengthened the influence of technological capability (TC) on internationalization status in public universities in Kenya. The results further revealed that financial capabilities (TC) had an insignificant positive influence on the internationalization status of public universities, in the presence of Government Legislation as the moderator, with $\beta = 0.087$ and $p = 0.419$.

5. Conclusion

The results of the study demonstrated that government regulations do, in fact, mitigate the impact of managerial, knowledge management, and technology capabilities on the internationalization status of Kenyan public universities. However, government legislation does not mitigate the impact of financial competence on the internationalization status of Kenyan public universities. The study concluded that, in Kenyan public universities, the relationship between managerial, knowledge management, and technology capabilities and internationalization status was controlled by government legislation. However, the study found that the impact of financial capabilities on internationalization status in Kenyan public colleges is not mitigated by government legislation.

6.0 Recommendations

The study therefore recommends that the relevant ministries enhance their policies to promote the engagement of international staff, whose presence and perspectives in Kenyan universities greatly boost internationalization. This is because, through the engagement of such staff, universities gain new collaborations, opportunities for funding from their developed countries, capacity-building opportunities for students and staff through academic exchange in other countries, and international joint publications.

Government policies were found to have had a moderate influence on foreign investors in the educational sector. The Africa Competitiveness Report (2021) ranks Kenya 96th out of 138 countries featured. This ranking was occasioned by a host of problematic factors, including

corruption, unfriendly tax rates, challenges in accessing financing, high government bureaucracy, policy instability, crime and theft, among others. Thus, universities in Kenya operate against a backdrop of numerous micro- and macro-economic challenges in the local environment that affect their competitiveness. The electronic and print media are awash with stories of struggling public universities, with some being quoted as being “on their death beds”. It is therefore important for the government to enhance its policy intervention mechanisms at the national level to cushion educational institutions against negative macroeconomic effects.

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