In this study, the transformation of a Kenyan public university through marketisation and privatisation was investigated qualitatively. By focusing on senior university administrators, deans, department heads, union leaders, student leaders and senior scholars at Kenyatta University the study identified the reasons for, and strategies used to achieve, marketisation and the consequences. External factors – pressure by multilateral financial institutions and global trends in favour of the market place and private finance in higher education – and internal factors, including social demand for higher education alongside the government’s budget rationalisation agenda, were the impetus for the transformation. Strategies used in marketisation included the corporatisation of university management through the de-politicisation of the university chancellorship, competitive recruitment of the vice-chancellor, administrative reconfigurations involving mergers and downsizing, registration of unions and revitalisation of student leadership and commercialisation of learning. These developments resulted in role conflicts over various offices, insider recruitment, administrative misalignment, loss of faculty power in governance, collective bargaining failure and disruption of learning and institutional instability.