

COST OF EDUCATION IN COLLEGES OF EDUCATION IN HARYANA

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ABSTRACT

The colleges of education need special attention today since it has significant bearing on creation of education, income and wealth which enhance the quality life of the people. The comparison of unit cost of government, aided and self-financing colleges of education in Haryana need to be studied because it enables us to know how does more seats are generated by such institutions, how they are utilizing their resources for the institutions and what is the level of productivity and efficiency in such institutions. The study provides information about unit cost of education and financial management of these institutes. It was found that some general characteristics in all the three types of colleges of education have some similarities and differences. The unit cost of education was the highest in case of Government colleges of education. Next in order are Aided and Self-Financing colleges of education.

KEYWORDS: Unit Cost, Institutional Recurring Cost, Government Colleges, Aided Colleges, Self-Financing Colleges

INTRODUCTION

Higher education plays a vital role in the country's development process as it not only transforms people into civilized citizens but also brings considerable enhancement in their productivity. In essence, culture and 'good life' are possible through higher education. Russel (1954) titled one of his significant works as "Education and good life".

But at the same time, providing education to the people requires a lot of funds and resources. The monetary resources that can be made available to education are limited and would continue to be limited in future. But the demand for a large number of seats and better quality of education has to be met. This subject needs more attention for the developing nations because firstly they want to develop human capital and on the other hand they are beset with lack of resources for education. Therefore, as in any area, finances as well as financial management have significance.

The question of educational finance has to be considered in a broader framework of the availability of financial resources, adequacy of the flow of resources, automatic stability in the flow of resources within a given time period and the role of public and private resources for education. Financial management in educational institutions has more significance as it helps in proper allocation of resources, institutional planning and providing grant in aid. By studying the finances and costs of an educational institution we can measure the productivity and efficiency.

RATIONAL OF THE STUDY

The colleges of education need special attention today since it has significant bearing on creation of education, income and wealth which enhance the quality life of the people. College of education are the centers of creating trained manpower and their development rests on the availability or resources for undertaking new educational program as well as for maintaining and undertaking of the supporting infrastructural facilities. Thus the importance attached to the financial

aspects of an institution is obvious and it is necessary to study the financial management system of the educational institutions.

The transformation of the concept from the reliance on public sector to the private sector or private funding of education is a recent phenomenon. This commercial approach to privatization of education has led to the establishment of large number of self-financing institutions which run professional courses. Because of this there has become a multiplicity of college level institutions in the country with varying sources of finance. On the basis of financial resources colleges of education in Haryana comprise both the institutions established and run by the government and the private parties. The private institutions include both which are receiving grant in aid and which are fully unaided. These institutions consume a large amount of nation's resources. Misutilization of resources in the education sector constitute a real welfare loss as much as economic benefits forgone in any commercial sector due to mis-allocation of funds

By studying the costs, we can measure the productivity, efficiency and relationship among different inputs (in the form of operating factors, physical plant and students' time and efforts) and the outcomes (in the form of academic performance of the institution). In such a situation it becomes necessary to make a comparative study of unit cost in government, aided and self financing institutions.

A proper analysis of the comparison of unit cost of government, aided and self-financing colleges of education in Haryana need to be studied because it enables us to know how does more seats are generated by such institutions, how they are utilizing their resources for the institutions and what is the level of productivity and efficiency in such institutions?

To answer the above questions and fulfill the gaps in the existing knowledge, the present comparative study of unit cost in government, aided and self-financing colleges of education in Haryana has been conducted.

REVIEW OF THE RELATED LITERATURE

Sudhanshu Bhushan (2007) studied financial requirements in Higher Education during XIth Plan (2007-2012). The study found that during 1993-94 to 2004-05 shows a consistent pattern in the decline for public expenditure per student in reach terms for higher education.

Gupta (1998) studied cost of higher education. "A study of Jammu University in comparison to central Universities and the recommendation of Punnaya Committee". In the study the purpose was to calculate the cost per student in the University of Jammu and to compare the same with various norms suggested in the Punnaya Committee report. Findings of the study were that in Jammu University the administrative expenditure is much higher than the recommendation norms while its academic expenditure is much below the norms. Again the unit cost per student in the faculties of humanities, social sciences and commerce is much more than the norms suggested, which indicate under utilization of the capacity in the University of Jammu.

Krishna Kumari (1991) conducted a study on unit cost of producing B.Ed. students at University College of education, Kurukshetra. According to this study, the total unit cost of B.Ed. Student was found to be Rs. 16909. The Institutional cost 58.05 percent of the unit cost. The Unit cost of male hostler was Rs. 16531.5 compared to Rs. 11049.90 for the female hostler. The unit cost of male non-hostler was Rs. 6646.92 which was Rs. 5863.00 in case of female non-hostler.

Shamra and Mridula (1982) conducted the study of Hindu College, Delhi (i) to discuss the educational

component, enrolment capacity and actual enrolment, quality of student intake, student-teacher ratio and lecture inputs in the Hindu College, (ii) to examine the unit cost of the college with reference of various subjects/ faculties. The major findings of the study were: (i) The College had always operated with a magnitude of under-utilization of enrolment capacity, which ranged from seven percent to thirteen percent. (ii) The student-teacher ratio for the college as a whole was almost 30:1. (iii) The usual practice during 1973-76 for each teacher was to take three or four lectures per week, in every faculty. The effectiveness of the teaching-learning process from this point-of-view which was only a one-third of what it should have been (iv) The main component costs were: salaries of teaching and non-teaching staff, cost of library services, cost of student services, laboratory expenses and cost of maintenance and repairs. The percentage of total recurring expenditure to total budget was 88 to 98 percent during 1973-76. (v) The per student cost on teacher's salaries was Rs. 1095 to Rs. 1541. The per lecture expenditure varied Rs, 88 to Rs. 124 (vi) The per student institutional cost varied from Rs. 1,617 to Rs, 2,258 during 1973-76. (vii) The average unit cost for graduating a student for all courses (three years duration) was around Rs. 5,145.

Talik (1980) in his study found out: (i) the returns to education accrued differently to different groups of population and unfavorably to the weaker sections. (ii) There existed inequality in human capital formation between different groups of population, the distribution being skewed against the weaker sections. (iv) The crude rates of return, in general, were found to decline with increasing levels of education. (v) With few exceptions, both marginal and average rates of return to the education of backward castes were above the corresponding rates for the non-backward castes. This was true in respect of private as well as social rates of return. (vi) The per-capita and per person of labor force, total as well as active human capital stocks, were found to be lower for women and backward castes compared to men and non-backward castes respectively. The total social cost of women's education was higher than that of men at school level while at the intermediate and higher levels, the two costs were almost equal. The total social cost of women's education was higher than that of men's at school level while at the intermediate and higher levels, the two costs were almost equal. But the private cost per pupil was higher for men than for women except at secondary and higher professional levels.

It is evident from the review of related literature that educationists and economists have greatly realized the importance of financial aspects of educational institute. Review shows most of the studies related to the Unit cost of educational institutions have been conducted at the university level or at macro level. But still, there is a dearth of empirical studies that have compared the Unit cost of different educational institutions at different levels of education. Therefore, the present study was considered to be pertinent.

OBJECTIVES OF THE STUDY

The objectives of the study are following:

- To study the general characteristics of government, aided and self-financing colleges of education in Haryana.
- To compare the institutional unit cost of education in government, aided and self-financing colleges of education in Haryana.

DELIMITATIONS OF THE STUDY

The present study has been confined to

- To state of Haryana only.

- Two govt., four aided and four self-financing colleges of education only.
- 200 students (40 from government, 80 from aided and 80 from self-financing) from such colleges of education only.
- Two years records from 2011-12 to 2012-13 only.

RESEARCH METHODOLOGY

The nature of the present study involved the use of survey method in order to obtain particular information regarding to the current status of trend, and wherever likely to draw valid conclusions from the particulars revealed.

SAMPLE OF THE STUDY

The study is being carried out to compare the unit cost of education in Government, Aided and Self-Financing colleges of education in Haryana. Therefore, all the colleges of education in Haryana State constituted the population of present study.

The investigator purposively selected 2 Government, 4 Aided and 4 Self-Financing colleges of education. In each selected college, information was collected from the Principal/In-charge and supporting staff. The investigator randomly selected 200 students from these colleges (40 students from Government, 80 students from Aided and 80 students from Self-Financing colleges) for the purpose of collecting information regarding unit cost of education.

TOOLS OF THE STUDY

Data Schedule for the Institutions

The investigator developed a comprehensive data schedule in order to collect information regarding the organizational set-up of the institutions, human resources, financial management of the institutions, financial problems and quality of education in colleges of education.

Questionnaire for Students

This tool was used to find out the private unit cost of the students in the colleges of education. This questionnaire provides information about different components of private cost and the socio-economic characteristics of the students.

STATISTICAL TECHNIQUE

An attempt has been made in this study to analyze the cross-sectional and time series financial data for the period 2011-12 to 2012-13 mainly in terms of relevant ratios and percentage. The relevant comparisons of sources of finance and pattern of allocation of funds among different types of colleges of education have been made. The various statistical techniques which meet the requirements of the study and relevant in the analysis of data have been used are: percentage, average, average annual growth rate.

MAJOR FINDING OF THE STUDY

The findings of the present study have been presented in three sections. Section-I deals with the findings based on the general characteristics, organizational set up and objectives of the colleges of education. Section-II deals with the findings regarding institutional cost of education in Government, Aided and Self-Financing Colleges of Education. Section-III deals with the findings regarding private cost of education by types of colleges, according to the socio-

economic characteristics of the students.

Section I: Findings Based on the General Characteristics and Objectives of the Colleges of Education

- The present study has revealed that the sources of finance, their nature and extent varied from one type to another type of colleges of education in Haryana.
- Difference in the enrolment, number of teachers and student teacher ratio, was found among the different institutions.
- Difference in the recruitment and position of teaching and non-teaching staff was found among different types of colleges of education.
- All the three types of colleges of education follow the same pattern of admission and examination of concerned universities of Haryana.
- All the three types of colleges follow the norms of same regulating agencies i.e. NCTE, UGC and concerned universities.
- Opinions of the Principals/In-charge of the institutions regarding the objectives of colleges of education were the same among different types of colleges.

Section II: Findings Regarding Institutional Cost of Education in Government, Aided and Self-Financing Colleges of Education

- Unit cost of education in Government colleges of education was Rs. 88771.93 in 2011-12 and Rs. 95216.67 in 2012-13 in which 91 per cent was the share of salary costs including the salary of teaching and non-teaching staff. On the other hand, 9 per cent was the share of non-salary costs.
- Unit cost of education in Aided colleges of education was Rs. 83041.99 in 2011-12 and Rs. 85198.48 in 2012-13 in which 90.95 per cent was the share of salary costs. On the other hand, 9.05 per cent was the share of non salary costs.
- Unit cost of education in Self-Financing colleges of education was Rs. 35844.43 in 2011-12 and Rs. 39142.21 in 2012-13 in which 92.41 per cent was the share of salary costs including the salary of teaching and non-teaching staff. On the other hand, 7.58 per cent was the share of non-salary costs.
- A relative calculation revealed that unit cost of education was the highest in case of Government colleges of education. Next in order are Aided and Self-Financing colleges of education which had the lowest unit cost of education during the period of two years from 2011-12 to 2012-13.
- Government colleges of education accounted for 43 per cent of the respective total of the unit cost of all the three types of college of education. In case of Aided and Self-Financing colleges unit cost was 33 per cent and 24 per cent respectively during the period of two years from 2011-12 to 2012-13.

Section III: Findings Regarding Private Unit Cost of Education by Type of Colleges, According to the Socio-Economic Characteristics of the Students

- Private unit cost was Rs. 41181.06 for hostlers and Rs. 25796.70 for non-hostlers in case of Government colleges

of education. In case of Aided and Self-Financing college of education, it was Rs. 42990.42 and Rs. 8038.26 for hostlers and Rs. 26176.29 and Rs. 528983.00 for non- hostlers respectively. In other words, private unit cost was the lowest in Government colleges, followed by Aided colleges of education. It was the highest in case of Self-Financing colleges of education.

- The various components of private unit cost of non-hostlers, fee expenses accounted for the most 41.60 per cent in Government colleges of education and 45.76 per cent in case of Aided colleges of education. In case of Self-Financing colleges of education it was 73.63 per cent. In other words if the student is enrolled in Self-Financing colleges, one has to pay approximately four times higher fees as compared to Government and Aided colleges of education.
- Private unit cost of hostlers is higher than that of the non-hostlers in all the three types of colleges of education.
- Private unit cost of education also differs by annual family income groups. The differences among different income groups were not high in case of Government and Aided colleges. They were higher in case of Self-Financing colleges of education.
- As a proportion of the annual family income, students of low income groups spend more on education than the higher income groups. This proportion also differs by category and type of college. The students of General category, up to Rs. 80000 income group spent 49.71 per cent and 49.40 per cent of their annual family income in Government and Aided colleges respectively. While in case of Self-Financing colleges of education, they spent 76.68 per cent of their annual family income.
- From the pattern of private unit cost of education, it appears that the students of Government and Aided colleges spend more or less the same amount on education. There was no scope for much unequal spending on education. But those who go to Self-Financing colleges of education spend varied amounts. In other words, there was homogeneity among the students of different income groups of different categories in private unit cost of Government and Aided colleges. But in case of Self-Financing colleges there was much heterogeneity.

EDUCATIONAL IMPLICATIONS

This research has its wider implications and a significant attempt in the field of economics of education. It has its implications for educational planners, administrators and concerned policy making bodies. Of course, the state government, NCTE and concerned universities are making norms and standards for quality education to convert the untrained human capital into trained and working human capital but due to lack of proper planning and infrastructural facilities in an effective manner. So what is necessary is the proper planning and management of financial resources to get excellence in providing teacher education in colleges of education.

CONCLUSIONS

Therefore, the present study has its implications for educational planners, policy makers, administrators, principals' teachers and students. The present investigation has emphasized the need for quality education in Government, Aided and Self-Financing colleges of education which significantly contribute in the elementary, secondary and higher education which further leads to national development.

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