



Means of Generating Funds for Private Higher Educational Institutions: Evidence from Parents Views

Dr. Sunakar Das

Hari Narain Singh Institute of Teachers Education, Sasaram, Bihar, India. Pin-821113

E-mail- drsunkardas@gmail.com

ABSTRACT

An attempt has been made to analyze the responses of the parents towards privatization of higher education particularly in the context of generation of funds in private higher educational institutions. Descriptive survey method is undertaken to find out the responses of the parents. A sample of 500 parents consisting of 300 males and 200 females has been taken through random sampling method from Odisha. Statistical techniques like mean and percentage have been used to analyze data obtained from the parents administering the questionnaire over them. The questionnaire was developed by the investigator for the present study. The findings of the study reveal that the sources of generating funds in private higher educational institutions are fees collected from the students, donations, bank loan etc. which private higher educational institutions invest funds in providing quality education to the students. Thus, the parents educate their children getting quality and job oriented education for increasing the social and economic standard of life.

Keywords- Parents, Privatization, Higher Education institution, generating funds

1. Introduction

At the present era the Government is not taking financial burden of educational institutions for educating the learners. The main objective of the private higher educational institutions is to provide job-oriented curriculum to the learners in order to make self-employment which further provides jobs to others. This will not create problem to the government. It will also contribute to the nation's production and self-dependent. The privatization of higher education provides job-oriented courses which the students opt. In providing the quality education the private higher educational institutions collect money from various sources like fees from the students, donations, bank loans etc. which is based on the 'principle of no profit no loss'. These institutions spend money in providing quality education. In this context the collected views of the parents are interpreted using statistical techniques like mean and percentage followed by tables and graphs.

2. Review of Literature

Some research studies are reviewed here to bridge up gap with the present study.

Ambani (2000) justified in his study that Government was not in a position to afford private parties, having money, could do privatization of higher education better than the Government.

Breneman (1988) expressed in his study that high quality of education can be carried on by private educational institutions by collecting required fees from the guardians.

Brokeman (2012) highlighted in his study that the privatization of higher education was a means of bringing of whole development of the people in society. These institutions create funds from donations given by industrialists and non-government organizations. In addition to this, he suggested that modern technology and facilities provided by the private educational institutions would no doubt bring socio-economic development of the society.

De Angelo and Cohen (2000) emphasized that the role of private sector on production and finance as the distinguishing government role in educational institutions not only reducing partnership between government and private service providers but also developing the idea of privatization to run the higher educational institutions. On the other hand the study revealed that shifting of activities, assets and responsibilities should go from Government control to private control. In this connection the idea of privatization, liberalization should function through different agencies of public private partnership, federal corporations, quasi-government organizations and Government sponsored agencies which would open the door of free marketization.

James (1987) in his study found that private education had grown for several reasons as social and differentiated demands for higher education. Social demand for higher education exceeded the public supply and the private markets seek to meet the unsatisfied demand as well as demand for high quality.

James and Benjamin (1988) observed from the study that in Japan public higher education provided better facilities, which were significantly related to quality than private Universities and colleges. The number of pupils per teacher in public Universities was only eight, compared with twenty six in private Universities. Private Universities employed the retired, part-time and experienced teachers in Japan, Columbia, Brazil, Argentina, Indonesia and in several other countries.

Kadam and Godha (2020) in their studies stated that the State would control over the private aided higher educational institutions to ensure that capitation fee was charged and there was no profiteering. The State would regulate the right to establish an educational institution only within the parameters of maintained by proper academic standards, environment as well as infrastructure and prevention of maladministration by those in charge of the management.

Karuppaiyl (2020) conducted a study on the sources of funds in privatization of higher education in Karnataka and found that all the private higher educational institutions are collecting funds from the students' fees towards enrolment as perceived by 97% of parents.

Psacharopoulos and Woodhall (1985) stated in their studies that access to higher education by lower income groups was negatively affected by the rapid growth of privatization.

Reh fuss (2013) studied that privatization included complete withdrawal of public services and transferring the services to private parties, community group, non-profit organizations and even former employees to provide public services with a focus to achieve a reduction of costs, increased efficiency and management flexibility.

Singh (2018) attempted in his study that sixty two per cent of people were in favor of privatization of higher education due to the fast changing growth of industries and information technology.

Tilak (1990) found in his study that the private colleges received little public support in India expect huge donations and capitation fees and charged abnormally high fees, ten to twenty times higher than those charged by the government colleges.

Walford (2019) found that private participation in higher education contributed to socio-economic inequalities in society encouraging elitist bias in education. Privatization gave rise to commercialization and profit oriented, with little consideration for national manpower needs, which might cause serious imbalance in the country.

3. Objectives of the Study

The objectives of the study are as follows.

1. To study the views of the parents towards privatization of higher education.
2. To study the parents' views towards the means of generating funds for private higher educational institutions.

4. Methodology of the Study

The methodology used for the study is stated below.

Research Method: Descriptive survey method is undertaken to study the views of the parents towards privatization of higher education and the means of generating funds of the parents for the education of their children in private higher educational institution.

Sample: A sample of 500 parents consisting of 300 males and 200 females has been taken from Odisha through random sampling method.

Delimitation: It is delimited to the parents whose children are studying in private engineering courses.

Analysis and interpretation: The views of the parents collected are analyzed as follows. Parents' views private higher educational institutions are given in the table.

Table 1 - Views on Privatization of Higher Education.

Various preferences	Males	%	Females	%	Total	%
First come first admission	88	29.33	64	32.00	152	30.04
Not getting seat in Government institutions	112	37.33	62	31.00	174	34.80
Job-oriented curriculum	37	12.33	21	10.50	58	11.60
Easy admission for rich students	63	21.00	53	26.50	116	23.20

Referring the table 34.80 per cent of parents are telling that the students are not getting seats in Government institutions due to its limited number. Therefore, they are finding any alternative for which they take admission in private higher educational institutions even if paying heavy admission fee.

On the other hand 30.04% of parents say that the private higher educational institutions are adopting the principle of first come and first admission basis and non-meritorious students take this opportunity.

23.20% of parents tell that rich students are getting scope for admission in various attractive courses by paying heavy donation as demanded by the private higher educational institutions.

11.60% of parents opine that the private higher educational institutions provide many attractive Job-oriented curriculums which are not available in Government institutions which poor parents are not able to afford it.

Table 2- Basic Principles of Collecting Fee.

Various Principles	Males	%	Females	%	Total	%
State Government						
State and University						
Principle.	-	-	-	-	-	-
Management's	300	100	200		100	500 100
Principle						
State Government	-	-	-	-	-	-
Principle only.						
University Principle	-	-	-	-	-	-
only.						

It is clearly understood from the views of all the parents in the table that on the basis of management's principle, the private higher educational institutions collect fees from the students as the management is the sole authority to manage the institution.

Table 3- Fees Collected from the Students.

Various Fees	Males	%	Females	%	Total	%
Admission	300	100	200	100	500	100
Fees						
Development Fee	-	-	-	-	-	-
Practical						
Examination Fee	-	-	-	-	-	-
Other fees	-	-	-	-	-	-

It is found from the views of all the parents that the private higher educational institutions collect admission fee from the students only which is the main source of generating funds.

Table 4- Donations from various Sources.

Donations	Males	%	Females	%	Total	%
From public	189	63	104	52	293	58.60
From management	64	21.33	55	27.50	119	23.80
From industrialists	26	8.66	21	10.50	47	9.40
From Trust	4	1.33	7	3.50	11	2.50
From businessmen	5	1.66	4	2.00	9	1.80
From elected	12	4.00	9	4.50	21	4.20

political leaders.

From the table it is clear from 58.60 per cent responses of the parents that the private higher educational institutions collect donation from the public being the source of generating funds for the institutions. Besides it, the other sources of generating funds are Donation from the management members (23.80%), Donation from the industrialists (9.40%), Donation from the Trust (2.50%), Donation from the businessmen (1.80%) and Donation from the elected political leaders (4.20%).

Table 5- Fees from Unselected Students for Admission.

Donations	Males	%	Females	%	Total	%
Lateral increase of seats	5	1.66	11	5.50	16	3.33
Vacancy created after withdrawal of admitted students.	10	3.33	8	4.00	18	3.60
Paying excess amount against management quota seats.	285	95.00	181	90.50	466	93.20
Others if any	-	-	-	-	-	-

In the table 93.20 per cent of parents express their views that the unselected students are taking admission in private higher educational institutions by paying excess amount against management quota seats with an intention that they do not lapse the current year waiting the selection of the future year.

When the vacancy is created after withdrawal of admitted students, the private higher educational institutions collect more money in order to fill up the vacancy seat.

Table 6- Getting Loan from Various Sources

Loan from	Males	%	Females	%	Total	%
Bank	270	90.00	179	89.50	449	89.80
Other Trust	11	3.66	6	3.00	17	3.40
Private body	2	0.66	8	4.00	10	2.00
Industrialists	17	5.66	7	3.50	24	4.80
Other fees	-	-	-	-	-	-

Referring the table 89.80 per cent of parents is telling that majority number of private higher educational institutions generate funds by taking loan from the bank. In addition to it, the institutions also take loan from the Trust (3.40 %), private body (2.00%) and industrialists (4.80%).

5. Major Findings

- 1). 34.80 per cent of parents are telling that the students are not getting seats in Government institutions due to its limited number. Therefore, they are finding any alternative for which they take admission in private higher educational institutions even if paying heavy admission fee.
- 2). 30.04% of parents say that the private higher educational institutions are adopting the principle of first come and first admission basis and non-meritorious students take this opportunity.
- 3). 23.20% of parents tell that rich students are getting scope for admission in various attractive courses by paying heavy donation as demanded by the private higher educational institutions.
- 4). 11.60% of parents opine that the private higher educational institutions provide many attractive Job-oriented curriculums which are not available in Government institutions which poor parents are not able to afford it.
- 5). All the parents tell that on the basis of management's principle, the private higher educational institutions collect fees from the students as the management is the sole authority to manage the institution.
- 6). All the parents say that the private higher educational institutions collect admission fee from the students only which is the main source of generating funds.

7). 58.60 per cent responses of the parents express their views that the private higher educational institutions collect donation from the public being the source of generating funds for the institutions.

8). The private higher educational institutions generate funds from other sources are donation from the management members as per the views of 23.80% parents, donation from the industrialists (9.40% of parents' views), donation from the Trust (2.50% of parents' views), donation from the businessmen (1.80% of parents' views) and donation from the elected political leaders (4.20% of parents' views).

9). 93.20 per cent of parents express their views that the unselected students are taking admission in private higher educational institutions by paying excess amount against management quota seats with an intention that they do not lapse the current year waiting the selection of the future year.

10). 89.80 per cent of parents are telling that majority number of private higher educational institutions generate funds by taking loan from the bank. In addition to it, the institutions also take loan from the Trust (3.40 %), private body (2.00%) and industrialists (4.80%).

6. Suggestions for Further Study

The investigator has suggested a number of studies to be researched as follows. .

- a) A study can be taken up to analyse the financial contribution of community members for privatization of higher education and their socio-economic impact.
- b). A study can be taken up on various aspects on privatization of higher education as per the findings of the present study and suggestions from the parents, teachers, community members, administrators and overall impact upon their day-to-day activities, quality, access and equity of higher education.
- c). A study is needed to investigate the socio-economic-cultural problems of the community people living in different parts of India being influenced by the privatization of higher education.
- d). A study on quality and equity of privatization of higher education and their practical implication in the life of community people which should be analysed separately one by one comparing them.
- e). A study is to be taken up on the role of the community people in managing privatization of higher education.

7. Educational Implication

Privatization of higher education provides attractive curriculum which are job-oriented and so the parents do not bother for money spending towards the education of their children. Keeping the future life of the children the parents invest money by hook or crook. The ideology of the parents is to educate their children with the present era curriculum. The privatization of higher education removes the unemployment problem from the society and thus lessening the burden of the Government. It not only solves the unemployment problem of the country of the person concerned but also provides employment to others due to providing vocational oriented courses.

8. Conclusion

The investigator has taken keen interest to study the views of the parents towards privatization of higher education regarding generation of funds. The various sources of generating funds are the collection of admission fees from the students, donations from industrialists, management members, political party members, community people etc. The findings of the study will help the learners, planners, policy makers, researchers, administrators to implement the results obtained from the problem for further researches.

REFERENCES

- [1] Azad, J.L. (2010). *Financing and Management of Higher Education in India, The Role of Private Sector*. New Delhi: Guan Publication House.
- [2] Chopra, P. D. (1974). *A Social, Cultural and Economic History of India*. Delhi: Macmillan.
- [3] Dubhashi, P.R., "Privatization of Higher Education", *University News*, Vol.35, (June 30, 1997), p.1.
- [4] Fumerton, P. (1991). *Cultural Aesthetics: Renaissance, Literature and Practices of Social Ornaments*. Chicago: The University Press.
- [5] Gupta, S.S. (2007). *Higher Education in India*. Agra: Sahitya Prakasan, pp.80-187.
- [6] Hommad, A.H. (1985). *Higher Education in the Third World*. New Delhi: Indian Bibliographies Bureau Press.
- [7] Jeffrey, R. Henig, "Privatization in the United States: Theory and Practice", *Political Science Quarterly*, 104, 4, (1989-90), 649-670.
- [8] Krishnamacharyulu, V.(2009). *School Management and Systems of Education*. Hyderabad: Neelkamal Publications Pvt. Ltd.
- [9] Murthy, G.S. (2007). *Public and private roles in education*. New Delhi: Rajpath Publications.
- [10] Ram, M., (2004). *Universalization of Higher Education, Some Policy Implications*. N. Delhi: Sarup and Sons, pp.1-47.

[11] Ramanujam, P.(Ed.).(2006). *Globalization, education and open learning*. Delhi: Shipra Publications.

[12] Thakar, G. (2009). *Challenges and Problems in Reforming Higher Education in*