

A Study on Delayed Payment of Semester Fees by the Commerce Students of BHC, Trichy

OPEN ACCESS

Volume: 12

Special Issue: 1

Month: February

Year: 2024

E-ISSN: 2582-6190

Received: 09.1.2024

Accepted: 05.2.2024

Published: 12.2.2024

Citation:

Senthilkumar, P., and G. Gnanaraj. "A Study on Delayed Payment of Semester Fees by the Commerce Students of BHC, Trichy." *ComFin Research*, vol. 12, no. S1, 2024, pp. 8–14.

DOI:

<https://doi.org/10.34293/commerce.v12iS1-Feb.7347>

P. Senthilkumar

*Research Scholar, Department of Commerce
Bishop Heber College (Autonomous), Trichy*

Dr. G. Gnanaraj

*Research Adviser, Department of Commerce
Bishop Heber College (Autonomous), Trichy
Affiliated to Bharathidasan University, Trichy*

Abstract

Receivables management is a significant function of every business concern to run the business seamlessly and maintain the cash flow into the business. Cash flow is not only important for a business but also for educational institution. In recent decades, educational institutions have been functioning as business and Schools and colleges are also having competition to acquire a major share in the educational market. Here educational institutions are finding difficulty to fix the tuition fee and collect the fee from the students. This study tries to provide solutions for the problems faced by the educational institutions regarding tuition fee collection. There are several reasons for the delayed payment of fee but college management need to communicate the fee, mode of payment, last date of payment and consequence for the defaulters from the day one.

Keywords: Educational Institution, Fees Collection, Students.

Introduction

Fees collection is a complex function for a school or college. Nowadays Institutions like schools and colleges are showing their stringent hands in collections of fees from the students. Otherwise they cannot function smoothly their routine activities. Every institution evolves its own strategy which depends upon its vision and mission to collect the fees from the students. Colleges those are having a holy vision and mission and marching towards to achieve the mission and vision, find a big challenge in collection of fees from the students. According to our college vision, we are to cater the needs of poor and under privileged students. We have been showing so much concern on students and their family backgrounds and helping them in all possible ways to bring them up in their life. At the same time, this attitude causes embarrassing situation in collection of fees from the students.

Statement of the Problem

It is known that pending of fees by our college students is very huge and we have to wait for the last minute for collection of fees.

Some students take undue advantage and delay the payment of fees till either the date of getting hall ticket or getting T.C. This attempt will be successful when it will reduce the headache of the management in fees collection activities.

Objectives of the Study

- To know the profile of the students who delay the payment of fees.
- To identify the reasons for the delayed payment.
- To offer suggestions to improve the fees collection system of our college.
- Methodology

I have confined this study within commerce department because our commerce students are in huge numbers in the fees pending list. Out of 384 students in the pending list relating to Self financing division of commerce students, I wanted to collect data from 30% of the students, it came to nearly 115 and finally decided to collect data from 120 students who are in the fees pending list. So the sample size of this study is 120.

Sampling method: The list of fees pending was already classified in section wise and I used simple random sampling to select the respondents for data collection. I used the II M.Com and a few B.com students to collect the data through questionnaire after briefing them the importance of every question. They interviewed the students and collected the data. The collected data are analysed and interpreted through SPSS and presented here.

Table 1 Profile of Students Who Delay the Payment of Fees

Sl. No	Variables	Yes	%	No	%	Total
1.	Availing Scholarship	18	15.00	102	85.00	120
2	Availing Noon Meal	2	1.70	118	98.30	120
3.	Having Arrear(s)	30	25.00	90	75.00	120
4.	Doing Part time Job	18	15.00	102	85.00	120
5.	Need a Job	31	25.80	89	74.20	120

From the above table, it is clearly known that 85.00% of the respondents are not availing scholarship so it may be interpreted that 85.00% respondents are not having much difficulties in paying the fees. Regarding Noon Meal Scheme, only 1.70% of respondents are in very poor and in needy condition. Out of 120 respondents, 90 respondents (75%) are having no arrear and 15% respondents are doing a part time job to support their family financial condition. It is also noted that 25.80% of respondents are in need of job to support their family.

Table 2 Classification of Respondents on the basis of Residential Place

Sl. No	Residence	Frequency	%
1	College Hostel	15	12.50
2.	Private Hostel	12	10.00
3.	Day Scholar	93	77.50
	Total	120	100

From this table, it is interesting to note that 77.50% of respondents are from day scholar. The remaining 22.50% are staying in either college or outside hostel.

Table 3 Income Wise Classification of Respondents

Sl. No	Income	Frequency	%
1	Below Rs.1,80,000	66	55.00
2.	Rs.1,80,000 – Rs.3,60,000	31	25.80
3.	Above Rs.3,60,000	23	19.2
	Total	120	100

The table no: 3 , describes the annual family income of the respondents. 55% of respondents are in below Rs.180,000 income group i.e low income group. 19.2% of respondents are in the above average income group (above Rs.3,60,000). It may be said that 45% of respondents are really in affordable to pay the fees in time.

Table 4 Reasons for Delayed Payment of Fees

Sl. No	Reasons for Delay	Frequency	%
1	Financial Difficulties	60	50.00
2.	Used for other purpose	14	11.70
3.	Waiting for scholarship	3	2.50
4.	Forgot to Inform	14	11.70
5.	No reason	16	13.33
6.	Not knowing the last date	7	5.80
7	Any other reasons	6	5.00
	Total	120	100

Regarding reasons for not paying the fees in time, 50.00% of respondents are telling that because of financial difficulties, they are not able to pay the fees in time. Only 3 respondents are waiting for scholarship amount to pay the fees. The reasons like ‘amount used for other purpose’, ‘forgot to inform the parents’, ‘no reason’, ‘not knowing the last date’ and ‘any other reasons’ can be grouped as one which can be avoided by the respondents if management is strict in collection of fees.

Table 5 Suggestions by the Respondents

Sl. No	Suggestions	Frequency	%
1	Levy more fine	12	10.00
2.	Put absent	5	4.20
3.	Give Remainder	43	35.80
4.	Talk to parents	40	33.30
5.	Other	20	16.70
	Total	120	100

In respect of suggestions to improve the fees collection system, Give remainder and Talk to parents are in the first (35.80%) and second (33.30%) place respectively. 10% of the respondents are telling that levy more fine to avoid the delay while 4.20% of respondents are suggesting that putting absent until the payment of fees to avoid the delay. 16.70% of the respondents are having different suggestions to avoid the delay. Their suggestions are like giving concession, earlier

payment of scholarship amount, instalment payment and easy access to online payment system for reducing the delay in the payment of fees.

Table 6 Cross Table of Respondents of their Family Total Income with their Reasons

Sl. No	Reasons for Delay	Income Group			Total
		Below Rs.1,80,000	Rs.1,80,000 – Rs.3,60,000	Above Rs.3,60,000	
1	Financial Difficulties	46 (76.67)	14 (23.33)	0	60 (100)
2.	Used for other purpose	6 (42.86)	3 (21.43)	5 (35.71)	14 (100)
3.	Waiting for scholarship	2 (66.67)	1 (33.33)	0	3 (100)
4.	Forgot to Inform	2 (14.29)	3 (21.43)	9 (64.28)	14 (100)
5.	No reason	3 (18.75)	4 (25.00)	9 (56.25)	16 (100)
6.	Not knowing the last date	4 (57.14)	3 (42.86)	0	7 (100)
7	Other reasons	3 (50.00)	3 (50.00)	0	6 (100)
	Total	66	31	23	120

It is understood from the above table no.6, Out of 60 respondents saying the reasons for the delay is Financial difficulties, 76.67% belong to income group of Below Rs.1, 80,000 and the rest (23.33%) belongs to the middle income group of Rs.180, 000 – Rs.3, 60,000. It is also interested to note that out of 66 respondents belong to low income group, only 46 respondents are giving financial difficulties as their reason for the delay. Other 20 respondents (except 2) are giving unworthy reasons and these respondents may be considered as affordable to pay. It must be noticed that 23 respondents belonging to the income group of above Rs.3, 60,000, taking undue advantage of our lenient payment system. Regarding middle income group, except 14 respondents out of 31 may be considered as affordable to pay fees in time.

Table 7 Cross Table of Respondents of their Family Total Income with their Suggestions

Sl. No	Suggestions	Annual Family Total Income			Total
		Below Rs.180000	Rs.180001 to Rs.3,60,000	Above Rs.3,60,000	
1	Levy more fine	9(13.64)	3(9.68)	0	12
2.	Put absent	2(3.03)	2(6.45)	1(4.35)	5
3.	Give Remainder	26(39.39)	11(35.48)	6(26.09)	43
4.	Talk to parents	16(24.24)	10(32.36)	14(60.86)	40
5.	Other	13(19.7)	5(16.13)	2(8.7)	20
	Total	66(100)	31(100)	23(100)	120

From this table no.7, it is known that majority of respondents of each income group provide the two suggestions i.e, 'Give remainder' before the due date and 'Talk to parents' before and after the due date. 63.63% (39.39 + 24.24) of income group of below Rs.1,80,000; 67.84% (35.48 + 32.36) of second income group and 86.96%(26.09 + 60.87) of the income group of Above Rs.3,60,000 are providing these two suggestions.

Table 8 Cross Table of Respondents of their Reasons and Willing to do a Job

Sl.No	Reasons for Delay	Need a Job		Total
		Yes (%)	No (%)	
1	Financial Difficulties	24(40.00)	36(60.)	60(100)
2.	Used for other purpose	0	14(100)	14(100)
3.	Waiting for scholarship	1(33.33)	2(66.67)	3(100)
4.	Forgot to Inform	1(7.14)	13(92.86)	14(100)
5.	No reason	1(6.25)	15(93.75)	16(100)
6.	Not knowing the last date	1(14.29)	6(85.71)	7(100)
7	Other reasons	3(50)	3(50)	6(100)
	Total	31(25.83)	89(74.17)	120(100)

This cross table indicates the relationship between 'Reasons for Delay' and 'Need a Job'. Out of 60 respondents saying 'financial difficulties' is the reason for the delay, only 24 respondents are in a need of a part time job to reduce the financial burden of their family. It can be interpreted that the rest of the respondents (36) are somehow in comfort zone and able to pay the fees in time. Other reasons for the delay do not have much to say.

Findings of this Study

1. It is found that 77.5% of the respondents who delayed the payment belong to Day scholar. Only 22.5% of respondents are belonging to Hostel.
2. It is denoted that only 1.7% of respondents are availing our college Noon Meal system and 15% of respondents are availing and depending on Students helpline scholarship and other scholarship to pay the fees.
3. 75% of respondents are not having any arrear in their studies. It is interpreted that they are taking care of their studies
4. 15% respondents are doing a part time job to support their family and 25.80% respondents are in the requirement of part time job to meet their financial needs.
5. 55% of the respondents are belonging to Low income group (Below Rs.1,80,000). The remaining 45% respondents are belonging to middle and high income group. Here it can be understood that 45% respondents are in the affordable condition to pay the fees but they misuse our compassion.
6. Regarding reasons for the delayed payment of fees, financial difficulties stand at first place. 50% respondents are telling that because of this reason, the payment of the fees gets delayed. On seeing other reasons (like 'amount used for other purpose', 'forgot to inform the parents', 'no reason', 'not knowing the last date' and 'any other reasons') for delayed payment of fees, they are not worthy reasons for the delay. It indicates simply lack of financial discipline on both the side.

7. In respect of suggestions to improve the fees collection system, 'Give remainder' and 'Talk to parents' are in the first(35.80%) and second (33.30%) place respectively. 10% of the respondents are telling that levy more fine to avoid the delay while 4.20% of respondents are suggesting that putting absent until the payment of fees to avoid the delay.
8. It is found from the above table no.6, Out of 60 respondents saying the reasons for the delay is Financial difficulties, 76.67% belong to income group of Below Rs.1, 80,000 and the rest (23.33%) belongs to the middle income group of Rs.180, 000 – Rs.3, 60,000. It is also interested to note that out of 66 respondents belonging to low income group, only 46 respondents are giving financial difficulties as their reason for the delay. Other 20 respondents (except 2) are giving unworthy reasons and these respondents may be considered as affordable to pay. It must be noticed that 23 respondents belonging to the income group of above Rs.3, 60,000, taking undue advantage of our lenient payment system. Regarding middle income group, except 14 respondents out of 31 may be considered as affordable to pay fees in time.
9. It is also found that majority of respondents of each income group provide the two suggestions i.e 'Give remainder' before the due date and 'Talk to parents' before and after the due date. 63.63% (39.39 + 24.24) of income group of below Rs.1, 80,000; 67.84 % (35.48 + 32.36) of second income group and 86.96 % (26.09 + 60.87) of the income group of Above Rs.3, 60,000 are providing these two suggestions.
10. From the cross table of the relationship between 'Reasons for Delay' and 'Need a Job', it is known that out of 60 respondents saying 'financial difficulties' is the reason for the delay, only 24 respondents are in a need of a part time job to reduce the financial burden of their family. It can be interpreted that the rest of the respondents (36) are somehow in comfort zone and able to pay the fees in time.

Discussion

Hence it is clearly known that we need to improve these areas to collect the fees in time. We have to give remainder to the parents before the last date of payment of fees and after the last date. We have to talk to the parents for the date and time of payment of fees by telling the consequences. Generally parents would give importance for their children education. They are always ready to borrow for their children's education if there is really a financial difficulties. In this aspect we change our focus on parents rather their children. When we focus their children (students), if the student is a male, he never talks to his father regarding anything because of his adolescent age and it is our fault to expect the male student to ask his parents about the fees payment.

Majority of father and son relationship is so critical at this age and if the student is a female, she hesitates to tell her father and mother by understanding the family financial situations and not putting them into further trouble. She would wait for the last minute just to tell about the amount of fees. The fees delayer may be having these kinds of psychological problems at their home. That is why 69.10%(35.80 + 33.30) of the respondents are telling that "Give Remainder" to the parents before the last date and "Talk to parents" before and after the last date of payment of fees and avoid themselves from asking their parents. So our college need to contact parents for timely payment of fees.

Suggestions

1. As suggested by the respondents, our college need to talk with parents before and after the due date of fees payments. We should try to complete the collection process before the due date. We should appoint a separate team to talk with parents. This team will not only talk about the collection of fees but also they can talk about attendance and other problems, information of students with their parents.

2. It is also suggested by the respondents that to avoid the delay in payment of fees, there should be easy payment system. We should strengthen our fees collection system of both online and offline.
3. Our college may go for ERP system which can take care of many of our works in an easy and efficient way. At present, students' data base, Fees collection- semester fees, exam fees, hostel fees, mess fees and other fees are all being separately maintained. We depend on several persons for the needy information from these areas. When we have ERP System, we are able to integrate all the works and able to get any information regarding students within a minute. We can have the ERP system in a comprehensive way so that all our college works will be taken care of by one system.

Conclusion

Every institution considers its collection of receivable as a challenging task. It is because of lack of honesty of people. Unless institution evolves and manages an appropriate system to do collection of receivables, it emerges as a recurring problem and will affect the growth of institution. The problem of delayed payment of fees by our students can be easily reduced to the extent of 95% by directly contact parents to pay the fees. If we install an ERP System, our problem of fees collection can be solved 100% because of people can be easily controlled by a proper system.

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