CHAPTER-THREE

DESIGN OF THE STUDY

3.1 INTRODUCTION

India has one of the largest network of the colleges catering the educational needs of about 4 million students of the relevant age group, which is about 83 percent of the total enrolment in higher education. The quality of higher education by and large thus, depends upon the quality of colleges of higher education in India. Well equipped libraries and laboratories and other similar facilities are prerequisites of quality of education. Maintenance of existing facilities and further development programmes require huge funds. Financial resources to higher education are invariably scarce. Although the government financial support to the higher education has been increasing in absolute terms, but the increase is not in proportion to their demands. A continuous fall of plan grants to higher education has been noticed after the V plan in terms of percentage. Almost the same trend has been found in case of Non-Plan grants and colleges are no exception.

The idea of conducting the present study was conceived by the researcher after studying the pattern of financing of higher education in India. In fact various studies on the subject were taken up but the focus of such studies always centred around the mobilisation of funds. Although, mobilization of resources in higher education is an important issue, yet it appeared that managing the available resources is all the more important.
Illegitimate and untimely allocation of resources within the institution not only widen the gap between the requirements and availability of resources but also defeat the managerial and academic objectives. Hence, the main purpose of the study was to review the existing budgetary practices and assess budgeting efficiency in the colleges of higher education in India.

Once the idea had been translated into the formulation of objectives, a clear cut design was to be shaped so as to accomplish the objectives of the study. In fact design of the study is a kind of plan in which a detailed break-up of all steps, stages and activities to pursue the objectives of the study are outlined. Such a design of the study not only enables the researcher to determine a line of action but also avoid duplication of efforts. Thus it saves time and economises the efforts of the researcher. It also enables a researcher to select an appropriate sample and to develop an effective tool of research to achieve the objectives.

In order to pursue the objectives of the study the investigator scanned through the available literature related to the various aspects of collegiate education. Information was collected through textual material from various sources. The information was also collected by utilising both the sources i.e. primary as well as secondary.

3.2 SAMPLE

Though, there are above 7,000 colleges throughout the country, but all of them are not entitled to get financial assistance from the University Grants Commission. Such assistance is given in the form of development
grants to the colleges. They become entitled only if they are recognised by U.G.C. under section 2(f) of the U.G.C. Act 1956. The commission may in consultation with the University concerned, recognise an institution under clause (f) of section 2 of the U.G.C. Act 1956, if;

(i) It is affiliated to a university established or incorporated by or under a central Act, a Provincial Act or a State Act,

(ii) It provides instructions upto a bachelor's degree or upto a post graduate degree or for a post graduate degree only or provide instructions for a diploma course,

(iii) It is registered as a society under the societies registration Act, 1860 or is a body corporate established or incorporated under a central or state act.

The colleges established on or after 17-06-1972, will be eligible for assistance only in terms of the U.G.C. (Fitness of institutions for grant) Rules, 1975.

A college under such rules is eligible for assistance if, apart from the conditions (ii) and (iii) mentioned above, it is permanently affiliated to a university which has been declared fit under section 12(B) of the UGC Act 1956 (3 of 1956) for receiving grants.

Thus at the end of 1990-91, 4210 colleges were entitled to get financial assistance from the UGC. Purpose of any research study is to establish a trend which could be applied to the universe. In fact it is not feasible to study the total population. Particularly in the present study it appears to be almost impossible to study the universe where there are more
than 4000 recognised colleges scattered throughout the country with different size and nature. Thus a very reasonable size of 2.6 percent of the colleges recognised by the UGC was considered for the present study which comes to 126 colleges throughout the country.

In the sample a reasonable representation was given to almost all types of colleges covering all the regions, states and zones. It was also envisaged to give as much representation to the universities as possible in the sample of the present study.

3.3 SELECTION OF THE COLLEGES

Initially the researcher obtained a list of recognised colleges from the UGC. Although there are a number of categories of colleges, but for the present investigation the colleges were categorised as under-

(i) Undergraduate Colleges and Post graduate Colleges;

(ii) Government Colleges and Private Colleges;

(iii) Affiliated Colleges; Autonomous Colleges and Constituent Colleges

(iv) Rural Colleges and Urban Colleges

The rational of dividing the sample into the categories mentioned above was that these colleges differ from one another in respect of their management, needs and finances etc. Such features are likely to reflect their budgeting pattern.

University colleges, however, were not included in the sample.
Efforts were made to provide proportionate representation to all the above mentioned categories of colleges. Besides that, it was also envisaged that these colleges are not chosen from few universities and states. Thus the above categories of the colleges were drawn from 54 universities and 18 states falling under all the five zones of the country.

Since the sample comprises 126 colleges initially 130 colleges were randomly selected from 18 states and 54 affiliating universities. In the second phase 42 more colleges were selected to ensure a proper representation of various categories of colleges. Thus finally 172 colleges were selected and the number of various categories of the colleges was as under

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate Colleges</td>
<td>91</td>
</tr>
<tr>
<td>Post graduate Colleges</td>
<td>81</td>
</tr>
<tr>
<td>Government Colleges</td>
<td>92</td>
</tr>
<tr>
<td>Private Colleges</td>
<td>80</td>
</tr>
<tr>
<td>Affiliated Colleges</td>
<td>136</td>
</tr>
<tr>
<td>Autonomous Colleges</td>
<td>20</td>
</tr>
<tr>
<td>Constituent Colleges</td>
<td>36</td>
</tr>
<tr>
<td>Rural Colleges</td>
<td>78</td>
</tr>
<tr>
<td>Urban Colleges</td>
<td>94</td>
</tr>
</tbody>
</table>

A separate category of the girls and boys colleges was, however, not made.

### 3.4 SELECTION OF TOOLS

Like other disciplines various tools are used in educational research too. Selection of appropriate tools enables the researcher to accomplish the objectives in an efficient manner. Generally selection of tools depends upon the overall objective of the study and the size and nature of the
sample. Unplanned selection and application of tools are likely to distort the entire findings of the study. The following sources were used for the data collection in the present study.

Secondary Sources

Secondary sources were used to develop a conceptual framework of the subject under study. Use of secondary sources was necessary to provide a solid base to the study and to justify the problem. The information about the overall finances to education, expenditure of universities and colleges under plan and non-plan heads was collected through a variety of sources like research studies, projects, surveys and reports of planning commission, the Ministry of Human Resources Development, UGC and state government, etc. Information about the latest development on the subject was also collected through the journals and periodicals of national and international repute. Other international documents have also been consulted for relevant information on educational finance.

Primary Sources

Investigator collected first-hand information through primary sources which include the following:

(i) Questionnaire

Questionnaire is a very potent tool of educational research. It is the most widely used of the various techniques of survey in educational research studies. It may be distributed personally or mailed to the sample group. It covers extensive number of individuals and group which is not possible through any other technique. Questionnaire does not require personal
contact, though in many cases usefulness of Questionnaire is enhanced through discussion with the respondents. The sample of the present investigation is so scattered that no other tool than questionnaire was feasible. Hence, a detailed questionnaire was framed covering all the relevant and important dimensions of budgeting and budgetary control in the colleges.

Description of Questionnaire:

The researcher made a preliminary survey of few colleges to study the functioning of such colleges and to understand the mechanism of financing and budgeting. He also had a discussion with the college authorities and experts in the field. Thus a detailed and comprehensive questionnaire was developed with the help of the guide, experts in the subjects and with the help of few questionnaires used in previous studies carried on in the similar areas.

In order to elicit the information from the college principals the questionnaire contained items seeking factual information as well as their opinions about 'budgeting' and 'budgetary control' in the colleges. Some important items of the questionnaire include the following -

(a) Name of the highest decision-making body and its composition to know the strength of such a body and to relate it with the budget performance.

(b) Composition of other decision making bodies such as Finance Committee, Budget Committee and Planning board.

(c) Particulars of officers of the colleges such as Principal,
Treasurer, Bursar and Accounts officer the above information sought in (b) and (c) was required to know the organisational structure of colleges and the role of various committees and officers vis-a-vis budgeting.

(d) Types of budget prepared by the colleges such as Maintenance, Development and salary budget

- such a question was included in the questionnaire to know the types of budget(s) prepared by the colleges.

(e) Availability of budget manual, guidelines and budget schedule.

(f) Whether approval is required and the body which grants approval

- these questions were asked to know the budget policy and procedure of the colleges and to establish a relationship of availability of such policy guidelines with the budget performance.

(g) Mode of Fee Collection

- to know what measures are applied to realise the fees from the students and whether the fee structure has been revised during the past few years.

(h) Application of programme and performance and zero base budgeting in the colleges.

(i) Costing of educational programme
- to know whether the colleges are using or have any possibility of using innovative techniques in budgeting.

(j) Rating of budgeting in colleges and,

(k) Whether the budgeting is considered as statutory compulsion, tool for planning and monitoring or as a control device.

such questions were asked to know the perception of the principals about the budgeting.

Besides, some opinion based questions about limitations of budgeting and possibility of its improvement were also asked. Taken on the whole there were 59 items included in the questionnaire.

(ii) Data Schedule

Although the questionnaire is a very important tool of research yet the scope of present study necessiated to elicit data based information from the principals and other college authorities. Hence a data schedule was also developed asking college authorities to furnish three years data of important aspects of the college relevant for the study. Some of the aspects included in the data schedule are as follows:

(a) Total enrolment for three consecutive years i.e (1989-90 to 1991-92).

- to know the growth of enrolment during three years and to establish its relationship with the growth rate of college revenues and expenditures. Besides to compute per student cost of various heads of expenditure.
(b) Budgeted receipts of the college during the last three years.

(c) Actual receipts of the college during the corresponding period.

- the purpose of asking for these information was to know the various sources of funds and the contributions of such sources to the college funding. Such an information was also necessary to know whether the budgeted revenues are matching with the actual ones. It was also necessary to establish a relationship between internal-external sources of funds and budget performance of the colleges.

(d) Budgeted expenditure of college for three years.

(c) Actual expenditure of college for three years.

- such information was necessary to calculate the ratio of recurring and non-recurring expenditure of the colleges and to compute per student cost of recurring and non-recurring items. The above information was required to know whether the budgeted expenditure of the colleges is matching with the actual expenditure. Information of expenditure was sought "head wise" so that the percentage of funds available to each items against the total expenditure could be ascertained and the pattern of allocation of funds within the institution could be located.

3.5 DATA COLLECTION

As has been mentioned earlier that the entire sample was divided into various categories of the colleges keeping in view that the sample is
drawn from almost all the states and zones and as much universities as possible. Thus initially researcher mailed distributed as many as 130 questionnaires and data schedule to the college principals. But after about three months only few questionnaires were received. However, no data schedule was received by the researcher. Reminders were sent to the college principals but in vain. Because of the time and financial constraints researcher was unable to visit the colleges personally to collect the questionnaires and data schedule except colleges in Delhi. Even the experience of the researcher in connection with Delhi colleges is no good either. Researcher personally visited as many as 25 colleges of Delhi about 4-5 times but could collect only a few data schedule and questionnaires. These questionnaires were collected in about 5-6 month and 4-5 visits and making dozens of telephonic calls. Particularly information through data schedule was collected only with personal request made to the clerical staff of the college concerned. After a great deal of persuasion the researcher succeeded in collecting data from some of the colleges included in the sample. But this was not enough. The situation was so alarming that the researcher thought to change the strategy for data collection.

Researcher then approached to National Institute of Planning And Administration (NIEPA), an organisation which conduct training programmes for the college principals of the country. They usually hold 2-3 programmes every year. The researcher contacted the programme director of such programmes and requested them to help him in data collection. The NIEPA
personnel extended their help and in four training programmes the questionnaires and data schedule were distributed. In these programmes most of the college principals were found to be the same to whom the questionnaires were mailed. Some of them had not received the questionnaires whereas, some admitted that they had received but could not fill in the same. They were again given the questionnaires and data schedule. On each and every day the researcher visited NIEPA during the programme and was able to collect most of the questionnaires. The principals could not provide any information on data schedule immediately as it required clerical assistance because most of the information was based on past college records. However, they promised to send it through the mail. Still most of the principals did not return the data schedule even though they were sent 2-3 reminders. Thus in all 172 sets of questionnaires and data schedule were distributed but the researcher was able to get 82 questionnaires and 34 data schedule. Two of these data schedules were received from those colleges whose questionnaires were not available. The researcher again sent questionnaires to these colleges with the request to return the same at the earliest because the use of data schedule for analysis was not possible without the questionnaires but they were not received till date. Thus the analysis of the data is confined to 82 questionnaires and 32 data schedules. However some questionnaires of those colleges for which data schedule is not available have been used. The reason is that the information provided through the questionnaires may be analysed independently but the analysis of the information given in the data schedule will be of little use without corresponding information sought through
questionnaires. Thus the detail of information received through the questionnaires and data schedule finally received is as follows.

Out of 82 questionnaires received representation of undergraduate colleges was found as 45 (55 percent) and that of postgraduate colleges as 33 (40 percent). On the basis of management the sample was represented by 24 government and 51 private colleges. There are 69 (84 percent) affiliated, 16 (20 percent) autonomous and 11 (13 percent) constituent colleges in the sample. Representation of Rural and Urban colleges was found to be 37 (45 percent) and 34 (42 percent) respectively. One college in the sample was mentioned as Associated college.

As regards the data schedule the representation of various categories of the colleges out of 32 was as follows -

The representation of undergraduate and postgraduate colleges was 13 and 19 respectively. In the sample there were 12 (37.5) government and 20 (62.5) private colleges. Again the representation of affiliated, autonomous and constituent colleges was found to be 20 (62 percent), 14 (44 percent) and 3 (9 percent) respectively. There were again 16 (50 percent) each Rural and Urban Colleges.
### TABLE 3.01

**DETAIL OF DISTRIBUTED AND RECEIVED QUESTIONNAIRES AND DATA SCHEDULE**

<table>
<thead>
<tr>
<th>Categories of Colleges</th>
<th>Questionnaires</th>
<th>Data Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Distributed</td>
<td>Received</td>
</tr>
<tr>
<td>Undergraduate</td>
<td>91</td>
<td>45</td>
</tr>
<tr>
<td>Postgraduate</td>
<td>81</td>
<td>33</td>
</tr>
<tr>
<td>Government</td>
<td>92</td>
<td>51</td>
</tr>
<tr>
<td>Private</td>
<td>80</td>
<td>24</td>
</tr>
<tr>
<td>Autonomous</td>
<td>20</td>
<td>16</td>
</tr>
<tr>
<td>Affiliated</td>
<td>136</td>
<td>69</td>
</tr>
<tr>
<td>Constituent</td>
<td>36</td>
<td>11</td>
</tr>
<tr>
<td>Urban</td>
<td>92</td>
<td>34</td>
</tr>
<tr>
<td>Rural</td>
<td>80</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>172</strong></td>
<td><strong>82</strong></td>
</tr>
</tbody>
</table>
3.6 ANALYSIS OF THE DATA

The scope and the purpose of the study necessitated qualitative analysis of the data. Detailed frequency tables of all the variables of questionnaires and data schedule were made. Trends were inferred by calculating average and percentages etc. An attempt was made to establish relationship between few variables. In order to compute the level of significance Chi-Square Test was applied. Detailed analysis of data is done in the respective chapters. Data have been analysed item wise too.