

Self-supporting Higher Educational Institutions in Tamil Nadu – A Profile

A. Siluvairaja*

ABSTRACT

India's higher education system is the third largest in the world, after China and the United States(World Bank) with 600 universities and 35,000 colleges. India requires many more institutions of higher learning since nearly 100 million students are going to the higher education market in the next 10 years, whereas the public expenditure on higher education in India is very low at 0.6% of the GDP, compared to 2.7% in the USA (Indian Express,02/8/2013). The role of self-financed institutions to fill the gap is eminent. Around sixty percent(36% Arts, 18% Science, 17% commerce) of faculty-wise student enrolment in Higher Education is in Arts and Science Colleges. Tamilnadu occupies the first place in terms of possession of universities in the private sector in the country with over 46 per cent universities, 94 per cent professional colleges and 65 per cent arts and science colleges under private sector(2011). In this paper the author maps the Institutional profile of the entrepreneurs providing Higher Education through Arts and Science colleges in Tamilnadu by employing proportionate to size random sampling. Twenty five entrepreneurs were selected and interviewed. The detail of the study is presented in this paper.

INTRODUCTION

Entrepreneurs are creators of institutions, resources, knowledge, skills, services and value. Scholars like Brenner (1987), Cochran(1965), Cooper (1991), Gadgil(1959), Greenfield and Strickon (1981), Gnyawali and Fogel(1994), Hagen(1962) and Vesper(1985) have stated that the demand coupled with a proper entrepreneurial eco system inspire entrepreneurs to create ventures in the respective sector.

Even though Indian Higher Education has undergone massive expansion after 1947 (*Subha Rao. V 2008,*) Privatisation of higher education in India started only in the year 1980 (*Pawan Agarwal 2009*). The initiative was commenced only in Tamilnadu in 1984 (*Madras Gazetteer 1984*). (see Table 1)

Table-1: Growth of higher Educational Institution and Enrolment in India and Tamil Nadu

Year	INDIA				TAMIL NADU			
	Universities & Research institutions	Colleges	Higher Educational Institutions	Enrolment*	Universities & Research institutions	Colleges	Higher Educational Institutions	Enrolment*
1980-81	179	4152	4358	2.76	8	382	390	0.09
1985-86	198	5232	5043	3.83	8	395	403	0.21
1990-91	233	6627	6289	5.03	16	608	624	0.24

*Chairperson, LIBA-Informatics Centre, Loyola College, Chennai.

Year	INDIA				TAMIL NADU			
	Universities & Research institutions	Colleges	Higher Educational Institutions	Enrolment*	Universities & Research institutions	Colleges	Higher Educational Institutions	Enrolment*
1995-96	290	9033	8247	6.38	20	716	736	0.36
2000-01	331	11304	10515	10	23	986	1009	0.42
2001-02	351	14232	11497	9.74	26	989	1015	0.59
2002-03	385	14913	12161	10.01	28	1558	1586	0.56
2003-04	389	15274	10716	10.23	28	1580	1558	0.61
2004-05	443	16009	16452	11.77	42	1642	1684	0.81
2005-06	490	19495	20769	14.32	36	1436	1645	1.32
2006-07	551	19812	21108	15.55	38	1530	1759	1.59
2011-12	634	20000	33023	16.97	67	2295	3052	2.02

Note: * enrolment in millions

Source: compiled from UGC and Department of Higher education selected Educational Statistics

Pattern of Educational Institutions

The Phillip Kotler(2002), quotes an entrepreneur cannot be everything for everyone, but he can be something for someone. Higher Education institutions are categories based on the segments they would like to serve. Mostly gender being the basis of segmentation, the arts and science college are categorized as men's, women's and co-educational colleges. Based on the category the respective institutions serve only the respective category de facto.

Among institutions under survey, only 25 per cent of the institutions are exclusively meant for women and the remaining institutions are co-educational. No college is exclusively for the men. The institutional history reveals that many colleges over the period of time, have shifted to serve both the gender. A few men's and women's colleges have become co-educational but not *vice-versa*.

Further the study finds that majority (84%) of the educational institutions under survey were established after 1990 and more so during the period from 1990 to 1999. Only 24 per cent of the educational institutions under survey were established after the year 2000. Increased encouragement and support of the govt. enabling for public and private partnership in the field of education for public and private partnership in the field of education as a result of LPG policies in our country could be reason for the establishment of more number of higher educational institutions in the state. Government has also raised the requirement criteria with respect to the land(10 Acres), the endowment and the Infrastructures so as to ensure quality standards in educational institutions in recent years.

Institution Governance

The Government of India expects more entrepreneurs to venture into higher education but at the same time does not want education to be seen as a sole-proprietorship and for profit-making. With these in view, the government have only allowed non-profit organization(NPO's) to create educational institutions. The NPO's refer only to Trust, Society and Company form. The Trust is registered under Indian Trusts Act 1882 and societies are registered under the Societies Registration Act, 1860(*UGC Act, 1974*). According to a study conducted by PRIA (2002) 20 per cent of the NPO's (Non-Profit Organisations) are in the form of Education institutions in Tamil Nadu.

The one-third of the total NPO's in Tamilnadu involve in Community/Social Services and in Education. They establish educational Institutions to serve a segment/target community. Majority(52%) of the educational institutions under survey are governed by The Societies Registration Act, 1860 and others by the Indian Trusts Act, 1882. None of the educational institutions seem to be governed by the company form of NPO. Further forty percent of the educational institutions are established and run only by religious and linguistic minorities. The Constitution encourages and confers special rights to religious and linguistic minorities to run educational institutions for the welfare of the respective communities. This could be the reason for more number of educational institutions.

Institution Funding

The study finds that the capital investment for establishing the educational institution under study estimated at more than Rs.5 Crores in recent years. The entrepreneurs who have started their institutions in the pre-liberalisation era early days during 1990's have invested capital of less than Rs. one crore. The rising cost of real estate, construction material, equipments and machineries high quality standards specifications on space and infrastructure imposed by the government are reported to have increased the investments in Arts & Science Colleges. The increased cost of investment in recent years has been reported to be a de-motivating factor for aspiring entrepreneurs in educational sector.

Table-2: Capital Invested for Institution Creation(Multiple replies)

Sl. No.	Sources of Funding Capital (Range in Rs.)	Number of Institutions			Total
		Own source	Grants/aid/donation	Loan from banks	
1	less than 1 crore	5(83%)	1(17%)	0	6
2	1 crore to 2 crore	4(29%)	7(50%)	3(21%)	14
3	2 crore to 5 crore	1(25%)	2(50%)	1(25%)	4
4	above 10 crores	0	1(100%)	0	1
	Total	10(40%)	11(44%)	4(16%)	25

Figures in brackets are percentages to column total

The entrepreneurs who have used Grant/Aid/Donation still considered education as a Charity Initiative. According to a Study conducted among NGO's by PRIA (2002), one-third of the revenue sources of NGO's in Tamil Nadu are met from Grants and Donations.

As shown in Table-2 the entrepreneurs have mobilized the capital through grants/donations and external borrowings for banks and other financial institutions besides their own funds. On an average grants and donations constitute forty four per cent, followed by forty per cent and sixteen per cent by own funds and borrowed funds respectively to the total capital investment. It is also noticed that a majority (44%) of the educational entrepreneurs have availed funds through donations/grants and borrowings from banking institutions. Majority of the entrepreneurs have adopted Boot Strap Strategy (Amar Bhide 2005), i.e., mobilising personal, family capital and Grant-in-Aid to incorporate the organization and finally approach the external sources such as Banks and Financial Institutions when more funds are required.

Table-3: Institutional Profile of Educational entrepreneurs

Sl. No.	Factors	No.of Institutions (N = 25)	Percent	Cumulative percent
1	Class Room	25	100	100
2	Library	24	96	96
3	Computer lab	25	100	100
4	Science lab	24	96	96
5	Play ground	23	92	92
6	Auditorium	25	100	100
7	Hostel	17	68	68
8	Dining Hall	7	28	28
9	Lavatory	25	100	100
10	Clinical/Medical Aid	10	40	40
11	Canteen	22	88	88
12	Browsing Centre	14	56	56
13	Bus/Van	20	80	80
14	Safety & security	24	96	96
15	Greenery	11	44	44

INSTITUTIONAL INFRASTRUCTURE

University Grants Commission(UGC) prescribes the minimum norms to be enforced while approving an Arts & Science College by the respective affiliating University (UGC Act 2009). At the same time UGC has allowed the Affiliating Universities to decide upon the infrastructure requirement higher than what it has considered as minimum. So it is left to the local affiliating university and the concerned state government to determine the minimum standards much above than what have been prescribed by the UGC.

The UGC prescribes that there shall be a, minimum of 5 acres of land to start an Arts & Science college, whereas Govt of Tamilnadu have fixed 10 acres of land as minimum requirement. The basic requirement is class rooms(a minimum of 15 sq ft per student), laboratory(a minimum of 20 sq ft per student), Library(a minimum of 1000 books which include at least 100 books relating to the course offered in the college), toilet, water, electricity, ventilation, computer lab, auditorium, playground, canteen, hostel, room for faculty, staff & principal. Moreover an educational entrepreneur has to create a corpus fund of Rs.15 lakh per programme(Policy note 2010, Department of higher education, Govt of Tamilnadu).

The study finds that all the colleges have fulfilled the conditions of land area requirement under surveyed and in fact they had more land area for future expansion. As shown in Table-3 that the major infrastructure facilities were almost available in all the colleges. However, the facilities where the entrepreneurs have to concentrate and improve more are medical/clinic facilities, hostels, dining hall, providing a clean and green environment, browsing centre, transport facilities, canteen, playground, library, safety & security arrangements for the students.

Table-4: Details of Non-teaching & Teaching staff in Educational Institutions

Sl. No.	No. of Staff (Range)	Non-Teaching				Teaching			
		Men (N=25)	Percent	Women (N=25)	Percent	Men (N=25)	Percent	Women (N=25)	Percent
1	less than 25	22	88	13	52	18	72	4	16
2	25 to 49	3	12	8	32	6	24	10	40
3	50 to 74	0	0	3	12	1	4	8	32
4	75 to 99	0	0	1	4	0	0	2	8
5	Above 100	0	0	0	0	0	0	1	4
	Total	25	100	25	100	25	100	25	100

Teaching and Non-teaching staff

Employees are the backbone of any services organization. In an educational institution, teaching faculty is the service deliverers. Well qualified, competent, skilled, intrapreneurial teaching staffs form part of a growing educational institution. The big challenge of an educational entrepreneur is to choose the right faculty possessing high knowledge, with experience in teaching and expertise in the necessary subjects. Secondly adequate number of teaching staff should also be recruited. The government of Tamilnadu has prescribed teacher-student ratio for Science stream as 30 and 40 for Arts and Commerce stream. The UGC has prescribed that a faculty should have either cleared NET/SLET/SET or a minimum Ph.D in the respective discipline (www.ugc.ac.in).

The Majority (72%) of the educational institutions have teaching staff numbering less than 25. The average enrollment of students in the surveyed institutions was 1206 (Table-3). The teacher-student ratio was around 1:50 which indicates paucity of teachers. It is also noticed that majority of the surveyed institutions have less qualified staff only -percentage of the institutions having adequate qualified staff. The average teachers having doctorate degree is 6 and NET/SLET/SET qualified teachers as 7.76. This shows that many educational institutions are employing not sufficiently and qualified teachers in their institutions.

Table-5: Details of Teaching staff qualifications and eligibility in Educational Institutions

Sl. No.	No. of Teaching Staff with qualification (Range)	No. of Educational Institutions					
		M.Phil (N=25)	Percent	Ph.D (N=25)	Percent	NET/SLET (N=25)	Percent
1	less than 25	4	16	25	100	25	100
2	25 to 49	5	20		0		0
3	50 to 74	10	40		0		0
4	75 to 99	3	12		0		0
5	Above 100	3	12		0		0
	Total	25	100	25	100	25	100

Courses Offered

Studies show that entrepreneurs are inspired to start institutions to meet the demand for more innovative educational programmes. The courses are classified under three categories namely Science, Arts and Commerce which can be further segmented into formal sciences, applied sciences, chemical sciences and the like.

Science Courses

The institutions under survey have been offering twenty-five types of science course. There are institutions which offer a minimum of three science courses to a maximum of 24 courses. There are some institutions in order to meet the overwhelming demand for certain courses work in two shifts per day.

Arts & Commerce Courses

Among the Arts stream, commerce subjects attract large number of the students. In the opinion of the entrepreneurs, it is found that linguistic courses are much in demand among women as it is easy to study and leads them to profession like teaching by doing a Bachelor of Education course after their graduation. But the commerce courses attract all the students other than the science group in their higher secondary and gain wide popularity among students. All the surveyed institutions offered commerce courses but only 12 institutions are offering any one of the courses under Arts stream.

Students Enrolled

The primary purpose of an educational institution is to provide students with the right courses and successful completion. The student enrollment provides healthy status-quo of the institutions. The student's enrollment in the surveyed colleges range from 250 to 3000 per annum. The average enrollment per institution was 1206.

CONCLUSION & SUMMARY

Educational entrepreneurship in Tamilnadu though initiated in mid 1980's seems like into a maturity phase after a high growth during the period 1990-99. Though a majority of the educational institutions had gender based students enrollment, they have shifted to co-education pattern in due course in order to enroll more number of students enabling entrepreneurial sustainability. So far as governance is concerned, as high as 52 per cent of the educational institutions have got their legal entity from the Societies Registration Act, 1860, while others have got it from the Indian Trusts Act 1882. So far as funding is concerned, majority of the educational institutions adopt boot-strap strategy and consider their institution as charitable organization. Educational institutions as prime disseminators of knowledge need to have adequate infrastructure facilities. All the educational institutions have adequate space namely land area whereas they lack other amenities. Similarly majority of the educational institutions have teaching faculty below the standards and offer number of courses under science and arts streams. Twenty-nine courses under science stream and twelve courses under arts stream are offered.

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