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Perception of Teaching Staff Members Regarding Financial Administration in Allopathic Medical Colleges- A Study with Special Reference to Vidarbha Region, Maharashtra

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Abstract: *Financial administration deals with the study of function and duties of all the officials who are concerned with the financial management of an institution. The aim of this research is to study the perception of teaching staff members about the financial administration in allopathic medical colleges of Vidarbha region. The data was collected by distributing a structured questionnaire to 400 teaching staff members of 8 allopathic medical colleges operating in Vidarbha region. The research shows that faculty members are satisfied with Financial Administrative system in respect of academic activities, procedure for salary disbursement, time of salary disbursement, medical reimbursement, claiming project funds from funding agencies, and early settlement of account of project funds whereas Faculty members are not satisfied with the settlement of bills for advance made, financial monitoring procedure, claim and payment of TA and DA bills.*

Keywords: *Financial Administration, Financial Management, Teaching Staff Members, Allopathic Medical Colleges*

I. INTRODUCTION

Financial Administration is the science of principles and practices involved in the financial operation of an individual group, institution, business concern, industry or state. It deals with the problems of acquisition, distribution and utilization of funds; balancing of revenue and expenditure; management and control of credit. The general control of financial affairs comes within the purpose of financial administration. The machinery needed for the proper experience of these function is also its subject matter. Thus financial administration deals with the study of function and duties of all the officials who are concerned with the financial management of an institution.

Financial Management is application of general management principles to the area of financial decision making. Financial Management is for administrating and financial affairs of the enterprise in the most effective and efficient way. Financial Management mean the entire gamut of managerial efforts devoted to the management of finance both, its sources and uses of the enterprise.

Apart from direct application of principles/techniques of financial management, which is essential for sound financial administration, certain others aspects of financial administration such as improving forms and formats, procedures of reporting & control systems, may help to achieve better the broad goals of financial management in particular and the organization in general. This is also another reason for starting the problems as financial administration of Allopathic colleges instant of financial management.

The financial administration helps in monitoring the effective deployment of funds in fixed assets and working capital.

Financial administration essentially helps in optimizing the output from a given input of funds. It necessitates financial forecasting, taking investment decisions, formulating assets management policy, management of cash, analysis and appraisal of financial performances and identifying new sources of finance.

The major thrust of the study is on the first aspects, especially financial administration in allopathic medical colleges in the opinion of teaching staff members.

Though the colleges are not business organization with profit motive the operational efficiency can be maximizes by adopting sound principles and procedure of financial administration.

II. REVIEW OF LITERATURE

As indicated in the section on need for the study, the number of studies on Financial Administration is very limited. A brief survey of the select studies and their findings are made in the ensuing paragraphs.

D. Jha (1974)¹ found in a study on Patna University that when it became a teaching-cum-residential university in 1952, the expenditure increased. Government grants were main source and in 1964-65 itself there was a deficit of funds. The Finance Committee failed to function properly due to lack of financial rules.

K. M. Mukerji (1974)² studied Calcutta University Finances and found that the administrative expenditure was 30 per cent between 1948-49 to 1969-70. The salaries to teachers varied from 13.12 per cent to 18.76 per cent. The trust and endowments funds went a long way to sustain finances.

G. D. Sharma (1980)³ examined the structure and unit costs of university education. He also compared unit costs of general and professional universities.

G. Subrahmanyam (1982)⁴ studied the finances of Andhra University. During the IV Plan the income from internal sources was 60 per cent. The major sources of non academic income were Press, Publications and Interest on Corpus fund. The expenditure on general administration was 20 to 30 per cent. The expenditure on teaching departments varied between 40 to 69 per cent and the expenditure on library varied from 2.58 to 9.12 per cent. He suggested a method for providing depreciation.

V. Ramamurthy (1989)⁵ in his article on 'Computers in Financial Management', indicated the efforts taken by Delhi University in introducing computer system for FM. A Committee of the Delhi University analysed the financial performance of the university, by working out details of resource allocation, per student cost for different departments, percentage of expenditure on different heads of expenditure.

III. RESEARCH METHODOLOGY

It is a systematic effort to achieve the truth. It includes the identification of study area, the procedure for collecting data, analyzing the data and finding the conclusion or truth based upon the scientific procedure. Research in common parlance refers to a search for knowledge.

3.1 Need of the Study: Within the broad conceptual framework of FA in the service sector, especially education which is now considered as a significant means of Human Resource Development and consequently an important factor of national

¹ D. Jha., A Study of the Finances of the Patna University, Department of Economics, Patna University, 1974.

² K.M. Yuckerji, Study of Calcutta University Finances, Department of Commerce, Calcutta University, 1974.

³ G.D. Sharma, Institutional Costs of University Education: A Study of Costs and Efficiency of Indian University System, AIU, New Delhi, 1980.

⁴ G. Subrahmanyam, University Finances - A Case Study of Andhra University, Department of Commerce and Management Studies, Andhra University Publication, 1982.

⁵ V. Brmurthp, 'Computers in Financial Management, Experience of Delhi University, University News, Vol.XXVII, AIU, New Delhi, 1989.

development, a detailed investigation on FA in Medical Colleges, are concerned with Higher Education, Research and Developmental projects and programmes, is carried out with special reference to allopathic Medical colleges in this study. The cream of top level and middle level managers are molded in the portals of higher educational institutions/universities. Colleges can become a model institution in FA with a co-ordinated guidance of the managerial experts and faculties. The study explores how far the medical colleges are practicing the principles taught through their class rooms, within other constraints which may vitiate the ideal adoption of these principles.

3.2 Objectives of the Study:

- » To study the opinion of teaching staff regarding Financial Administration in Allopathic Medical Colleges in Vidarbha region.
- » To find out effectiveness of Financial Administration with a view to suggest modifications to improve efficiency.

3.3 Hypothesis:

- » Financial Administration is satisfactory in selected allopathic medical colleges in the opinion of faculty members / teaching staff.

3.4 Research Design:

A research design is simply the framework or plan for a study that is used as a guide in collecting and analyzing the data. It is a blueprint that is followed in completing a study. It is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure.

Particular	Research design
Sample size	400 Teaching Staff Members
Data collection method	Primary data
Data collection sources	8 Allopathic Medical Colleges of Vidarbha Region
Nature / Type of the Study	Descriptive Research
Sampling Technique	Convenience Sampling

3.5 Scope of the Study:

The study covers only the perception of teaching staff members working in allopathic medical colleges of Vidarbha Region of Maharashtra.

IV. DATA ANALYSIS AND INTERPRETATION

Primary hypothesis:

H1: Financial Administration is satisfactory in selected allopathic medical colleges in the opinion of teaching staff.

Sub hypotheses:

1.1	The Financial Administrative system in respect of academic activities is satisfactory
1.2	The procedure for salary disbursement is working well
1.3	The salary disbursement is made on time
1.4	The procedure for salary disbursement needs no revision

1.5	The departments have to develop better financial monitoring procedure
1.6	The present procedure for settlement of bills for advance made is satisfactory
1.7	The procedure adopted for claim and payment of TA and DA bills needs no revision
1.8	The TA and DA are paid within reasonable time after its proper claim
1.9	The procedure for medical reimbursement is functioning satisfactory
1.10	The medical reimbursement payment is made within reasonable time after its proper claim
1.11	The present system of claiming project funds from funding agencies is works well
1.12	The project expenditure details are well maintained in the department for early settlement of account

Table: Validation of Hypothesis

Sr. No.	Mean	SD	Hypoth-esized Mean	Z Value (One-tailed)	P Value
1.1	3.83	0.73	3.00	22.44	0.00
1.2	3.95	0.74	3.00	25.41	0.00
1.3	3.95	0.77	3.00	24.54	0.00
1.4	4.09	0.65	3.00	33.33	0.00
1.5	3.85	0.87	3.00	19.41	0.00
1.6	2.16	0.65	3.00	-25.58	1.00
1.7	2.27	0.78	3.00	-18.71	1.00
1.8	2.30	0.83	3.00	-16.78	1.00
1.9	3.89	0.77	3.00	22.69	0.00
1.10	3.81	0.80	3.00	19.91	0.00
1.11	3.80	0.78	3.00	20.29	0.00
1.12	3.83	0.76	3.00	21.65	0.00

INTERPRETATION:

1.1 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.8250) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can claim that Financial Administrative system in respect of academic activities is satisfactory. ($p < 0.05$)

1.2 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.9475) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can say that the procedure for salary disbursement is working well. ($p < 0.05$)

1.3 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.9475) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the

other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can state that the salary disbursement is made on time. ($p < 0.05$)

1.4 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (4.0875) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can state that the procedure for salary disbursement needs no revision. ($p < 0.05$)

1.5 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.8450) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can state that the departments have to develop better financial monitoring procedure. ($p < 0.05$)

1.6 H_0 is accepted in the error level of 5 percent. That is, the observed mean is ≤ 3 and since practical mean (2.1575) is less than theoretical mean i.e. 3, therefore we can conclude that the observed mean is less than 3. The researcher's hypothesis is not acceptable at the error level of five percent. Thus, we can claim that the present procedure for settlement of bills for advance made is not satisfactory. ($p > 0.05$)

1.7 H_0 is accepted in the error level of 5 percent. That is, the observed mean is ≤ 3 and since practical mean (2.2700) is less than theoretical mean i.e. 3, therefore we can conclude that the observed mean is less than 3. The researcher's hypothesis is not acceptable at the error level of five percent. Thus, we can say that the procedure adopted for claim and payment of TA and DA bills needs revision. ($p > 0.05$)

1.8 H_0 is accepted in the error level of 5 percent. That is, the observed mean is ≤ 3 and since practical mean (2.2975) is less than theoretical mean i.e. 3, therefore we can conclude that the observed mean is less than 3. The researcher's hypothesis is not acceptable at the error level of five percent. Thus, we can claim that the TA and DA are not paid within reasonable time after its proper claim. ($p > 0.05$)

1.9 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.8850) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can claim that the procedure for medical reimbursement is functioning satisfactory. ($p < 0.05$)

1.10 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.8050) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can say that the medical reimbursement payment is made within reasonable time after its proper claim. ($p < 0.05$)

1.11 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.7975) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can state that the present system of claiming project funds from funding agencies is working well. ($p < 0.05$)

1.12 H_0 is rejected in the error level of 5 percent. That is, the observed mean is not ≤ 3 and since practical mean (3.8275) is bigger than theoretical mean i.e. 3, therefore we can conclude that the observed mean is meaningfully bigger than 3. On the other hand the researcher's hypothesis is acceptable at the error level of five percent. Thus, we can state that the project expenditure details are well maintained in the department for early settlement of account. ($p < 0.05$)

V. FINDINGS, CONCLUSION AND RECCOMENDATION**Findings:**

- » 64 percent of the respondents agreed that the financial administration in respect of academic activities is satisfactory and 12 percent of the respondents strongly agreed with the same.
- » The study conducted has clearly shown that 64 percent of the respondents agreed that the procedure for salary disbursement is working well and 18 percent of the respondents strongly agreed with the same.
- » The study reveals that 66 percent of the respondents agreed that the salary disbursement is made on time and 18 percent of the respondents strongly agreed with the same.
- » 63 percent of the respondents agreed that the procedure for salary disbursement needs no revision and 19 percent of the respondents strongly agreed with the same.
- » From the study it is found that 60 percent of the respondents agreed that the department has to develop better financial monitoring procedure and 18 percent of the respondents strongly agreed with the same.
- » The study conducted has clearly shown that 60 percent of the respondents disagree that the present procedure for settlement of bills for advance made is satisfactory and 13 percent of the respondents strongly disagreed with the same.
- » The study has given evidence that that 57 percent of the respondents disagree that the procedure adopted for claim and payment of TA and DA bills needs no revision and 12 percent of the respondents strongly disagreed with the same.
- » 56 percent of the respondents disagree that the TA and DA are paid within reasonable time after its proper claim and 13 percent of the respondents strongly disagreed with the same.
- » 60 percent of the respondents agreed that the procedure for medical reimbursement is satisfactory and 18 percent of the respondents strongly agreed with the same.
- » From the study it is found that 63 percent of the respondents agreed that the medical reimbursement payment is made within reasonable time and 14 percent of the respondents strongly agreed with the same.
- » The study conducted has clearly shown that 64 percent of the respondents agreed that the present system of claiming project funds from funding agencies is working well. and 12 percent of the respondents strongly agreed with the same.
- » From the study it is found that 61 percent of the respondents agreed that the project expenditure details are well maintained in the department for early settlement of account and 14 percent of the respondents strongly agreed with the same.

Conclusion:

From this study it is concluded that teaching staff members are satisfied with Financial Administrative system in respect of academic activities, procedure for salary disbursement, time of salary disbursement, medical reimbursement, claiming project funds from funding agencies, and early settlement of account of project funds whereas Faculty members are not satisfied with the settlement of bills for advance made, financial monitoring procedure, claim and payment of TA and DA bills.

Recommendation:

Based on the study the researcher wants to offer few suggestions and recommendations. They are:

- » The present procedure adopted by selected allopathic medical colleges for settlement of bills for advance made by faculty members is to be altered.
- » Immediate efforts should be taken to reduce time lag in payments TA and DA bills by simplified and streamlined procedures should be made.
- » The present Financial Administration procedure needs revision.
- » Maintain a progressive record of outstanding liabilities.
- » Develop and maintain an effective communication system and feedback mechanism between different levels and segments of the institution.
- » Entrust the task of budgetary control to a senior person or a committee.
- » Maintain an efficient system of accounting to record and provide data in line with the budgetary control system.
- » Budgets should be comprehensive, flexible and realistic.

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