

# A Comparative Study on the Economic Difficulties of Self-Financing Professors and Their Dependence on Additional Income in Urban and Rural Colleges

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**ABSTRACT:**

This study examines the economic difficulties faced by professors working in self-financing Arts and Science colleges, particularly in Tamil Nadu. It focuses on salary structure, income adequacy, and dependence on additional income sources. The research also analyses how financial challenges influence family life and professional performance. Primary data was collected from 110 professors using a structured questionnaire. Statistical tools such as simple percentage analysis, chi-square, ANOVA, and Garrett ranking were applied. The findings reveal that inadequate salary, job insecurity, and rising living costs create financial stress among professors, leading to reliance on additional income sources. The study concludes with suggestions to improve financial stability and working conditions.

**Keywords:** Professors, self-financing arts and science colleges, financial stress, additional income sources.

**INTRODUCTION:**

Higher education plays an important role in shaping society, and professors are key contributors to this system. With the growth of self-financing colleges, access to education has increased significantly. However, professors in these institutions face financial challenges due to low and inconsistent salary structures.

Unlike government colleges, self-financing institutions do not follow standardized pay scales. This leads to income inadequacy, forcing professors to depend on additional sources such as tuition, online coaching, business and so on. Financial stress also affects their work-life balance, job satisfaction, and professional efficiency.

**STATEMENT OF PROBLEM:**

Professors in self-financing colleges often face financial instability due to low salaries, lack of job security, and rising living costs. These issues create economic pressure, forcing them to depend on additional income sources.

Such financial stress affects their personal life, reduces job satisfaction, and impacts teaching performance. Hence, there is a need to study the salary structure, income adequacy, and its overall impact on professors.

**OBJECTIVES OF THE STUDY:**

1. To compare the salary structure and income adequacy of self-financing college professors in urban and rural colleges.
2. To identify and compare the major economic problems faced by self-financing college professors in urban and rural areas and the reasons for their dependence on additional income beyond regular salary.

**METHODOLOGY:**

The study adopts a descriptive research design to analyse the economic difficulties of self-financing college professors. It focuses on salary structure, income adequacy, and financial challenges. A snowball sampling method is used with a

sample of 110 respondents. Data is collected through a structured Google Form questionnaire with closed-ended questions.

The data is analysed using statistical tools:

- Simple percentage and Frequency analysis
- Chi-square
- Garrett ranking
- ANOVA

## REVIEW OF LITERATURE:

**Dharani et al. (2025)** analysed the work-life balance of employees in self-financed colleges in Coimbatore. The study used primary data from 148 respondents collected through a structured questionnaire and applied tools like percentage analysis, Chi-square, and ANOVA. It found that workload is the major factor affecting work-life balance, leading to moderate stress and low-income levels. The study suggested improving organizational policies and promoting well-being measures to enhance work-life balance.

**Dr. C. Thanga Lakshmi (2025)** analysed the lifestyle, work-life balance, and job satisfaction of teachers in self-financing colleges. The study was conducted among 280 teachers using questionnaires and interviews with descriptive and correlation analysis. It found issues such as heavy workload, job insecurity, financial constraints, and health problems. The study suggested improving salary, job security, and workload management along with wellness initiatives.

**Prerna Chauhan and Dr. Navkiranjit Kaur Dhaliwal (2024)** examined financial satisfaction and investment challenges among teachers in Haryana. The study used primary data from 296 respondents collected through a structured questionnaire. It found that university teachers had higher financial satisfaction due to better salary and benefits, while most preferred safe investment options. The study suggested improving financial support and policy measures for teachers.

**E. Murugasan and Dr. S. R. Easwari (2023)** studied the problems faced by self-financing college teachers using data from 50 respondents. The study highlighted issues such as high stress, job insecurity, low salary, and heavy workload. It found that these factors reduce motivation and discourage qualified individuals from entering the profession. The study suggested fixing minimum salary, ensuring job security, and improving institutional policies.

## OVERVIEW OF THE STUDY:

### Historical Background

After independence, higher education in India was mainly government-controlled, ensuring job security, standardized salaries, and financial benefits for professors. The establishment of UGC brought uniformity in pay and service conditions. However, from the 1980s and especially after the 1991 liberalization, private participation increased, leading to the growth of self-financing colleges. This shift introduced flexible salary structures, reduced job security, and a more market-oriented system. In recent years, although access to education has improved, professors face low and inconsistent salaries, high workload, and financial instability.

### Self-Financing Colleges and Professors

Self-financing colleges operate mainly on student fees without significant government support. This results in non-standardized salary structures and limited financial benefits for professors. Faculty members are often appointed on a contractual basis with low job security. Their income varies across institutions and locations, affecting their financial stability and quality of life.

**Work Environment: Rural vs Urban** Urban colleges offer better infrastructure and opportunities but involve high living costs and performance pressure. Rural colleges, on the other hand, provide lower salaries and limited professional opportunities due to fewer resources. Both environments create financial challenges in different ways, influencing the overall economic condition of professors.

### Salary Structure and Economic Challenges

Professors in self-financing colleges face low and inconsistent income, lack of benefits such as pension and medical support, and irregular salary payments. There is no clear system for increments or promotions. These issues lead to financial insecurity, difficulty in savings, and dependence on additional income sources.

### Workload and Professional Growth

Faculty members handle multiple responsibilities beyond teaching, including administrative tasks and institutional duties. High workload, job insecurity, and limited institutional support restrict opportunities for research, skill development, and career advancement, affecting long-term professional growth.

### Financial Stress and Living Conditions

Low income combined with rising living costs and inflation reduces purchasing power and standard of living. Professors often struggle to meet basic expenses and save for the future. Financial stress also impacts mental health, job satisfaction, and overall well-being, ultimately affecting their teaching performance.

## RESULTS AND DISCUSSIONS:

### SIMPLE PERCENTAGE AND FREQUENCY ANALYSIS:

		Frequency	Percent
<b>Area of college</b>	Urban	76	69.1
	Rural	19	17.3
	Semi-rural	12	10.9
	Semi-urban	3	2.7
	<b>Total</b>	<b>110</b>	<b>100.0</b>
<b>Years of Teaching experience</b>	Below 5 years	66	60.0
	5 - 10 years	25	22.7
	10 - 15 years	15	13.6
	Above 15 years	4	3.6
	<b>Total</b>	<b>110</b>	<b>100.0</b>
<b>Nature of employment</b>	Part time	53	48.2
	Full time	57	51.8
	<b>Total</b>	<b>110</b>	<b>100.0</b>
<b>Educational Qualification</b>	Postgraduate (Master's Degree)	40	36.4
	Ph.D.	43	39.1
	M.Phil.	6	5.5
	NET / SET Qualified	21	19.1
	<b>Total</b>	<b>110</b>	<b>100.0</b>
<b>Designation of the respondents</b>	Assistant professor	74	67.3
	Associate professor	30	27.3
	Head of the Department	5	4.5
	Associate and Head of the Department	1	0.9
	<b>Total</b>	<b>110</b>	<b>100.0</b>

Monthly salary of the respondents		Frequency	Percent
	Below Rs.20,000	2	1.8
	Rs. 20,000 – Rs. 40,000	88	80.0
	Rs. 40,000 - Rs. 60,000	19	17.3
	Above Rs. 60,000	1	0.9
	<b>Total</b>	<b>110</b>	<b>100.0</b>

Source of managing financial emergencies Frequencies				
		Responses		Percent of Cases
		N	Percent	
Source of managing financial emergencies	Using personal savings	91	39.2%	82.7%
	Using insurance coverage	48	20.7%	43.6%
	Postponing or reducing other expenses	40	17.2%	36.4%
	Seeking financial help from family members	35	15.1%	31.8%
	Borrowing money	18	7.8%	16.4%
Total		232	100.0%	210.9%

**INTERPRETATION:**

The table 4.1.24 shows that Using personal savings accounts for 39.2% of the responses, followed by using insurance coverage at 20.7% and postponing or reducing other expenses at 17.2%. Seeking financial help from family members constitutes 15.1%, while borrowing money accounts for 7.8%. The total percentage of cases exceeds 100% (210.9%), indicating multiple responses from respondents.

**CHI-SQUARE ANALYSIS:**

Case Processing Summary						
	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Area of College * Satisfaction with current salary [Adequacy to meet monthly expense]	110	100.0%	0	0.0%	110	100.0%

Area of College * Satisfaction with current salary [Adequacy to meet monthly expense] Crosstabulation							
	Area of College	Satisfaction with current salary [Adequacy to meet monthly expense]					Total
		Highly Satisfied	Satisfied	Neutral	Dissatisfied	Highly Dissatisfied	
	Urban	25	14	7	17	13	76
	Rural	3	3	6	4	3	19

	Semi rural	4	0	0	5	3	12
	Semi urban	0	3	0	0	0	3
Total		32	20	13	26	19	110

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.681a	12	.006
Likelihood Ratio	25.914	12	.011
Linear-by-Linear Association	.354	1	.552
N of Valid Cases	110		

NOTE: S: Significant (p value ≤ 0.05) NS: Not Significant (p value > 0.05)

**INTERPRETATION:**

The Chi-square test shows a significance value (p-value) of 0.006, which is less than 0.05 and also significant at the 1% level (p < 0.01). This indicates that there is a significant relationship between area of college and satisfaction with salary in terms of adequacy to meet monthly expenses. Hence, the null hypothesis is rejected and it can be concluded that the variables are associated with each other. The result is statistically significant (S).

**GARRETT RANKING:**

**Major financial challenges faced by Professors**

Factors	Rank						Total
	I	II	III	IV	V	VI	
Loan repayment	62	12	6	10	3	17	110
Children’s education expenses	10	39	33	6	14	8	110
Medical expenses	10	20	38	27	8	7	110
House rent / EMI	13	16	30	39	9	3	110
Daily living expenses	3	12	0	24	58	13	110
Savings & Investments	12	11	3	4	18	62	110
Total	110	110	110	110	110	110	

**Percent Positions and Garrett Values**

Formula	Calculated Value	Garrett value
100 (1 - 0.5)/6	8.33	77
100 (2 - 0.5)/6	25	63
100 (3 - 0.5)/6	41.667	54
100 (4 - 0.5)/6	58.33	46
100 (5 - 0.5)/6	75	37
100 (6 - 0.5)/6	91.667	23

**Calculation of Garrett Value and Ranking**

Factors	R1x77	R2x63	R3x54	R4x46	R5x37	R6x23	Total	Average	Rank
Loan repayment	4774	756	324	460	111	391	6816	1136.00	<b>I</b>
Children’s education expenses	770	2457	1782	276	518	184	5987	997.83	<b>II</b>
Medical expenses	770	1260	2052	1242	296	161	5781	963.50	<b>IV</b>
House rent / EMI	1001	1008	1620	1794	333	69	5825	970.83	<b>III</b>
Daily living expenses	231	756	0	1104	2146	299	4536	756.00	<b>V</b>
Savings & Investments	924	693	162	184	666	1426	4055	675.83	<b>VI</b>

**INTERPRETATION:**

The Garrett ranking analysis reveals that loan repayment is the most significant financial challenge, securing the first rank with the highest average score of 1136.00. This is followed by children’s education expenses (997.83) ranked second, indicating a major concern for respondents. House rent/EMI (970.83) and medical expenses (963.50) are ranked third and fourth respectively, showing moderate financial burden. On the other hand, daily living expenses (756.00) are ranked fifth, suggesting comparatively lesser priority. Savings and investments (675.83) receive the lowest rank, indicating that respondents give least importance to saving due to financial constraints.

**ANOVA:**

**Relationship between reason for seeking additional income and Area of college**

H0: There is no significant relationship between reason for seeking additional income and area of college

H1: There is a significant relationship between reason for seeking additional income and area of college

ANOVA						
		Sum Squares	df	Mean Square	F	Sig.
Insufficient salary	Between Groups	27.513	3	9.171	3.280	.024
	Within Groups	296.351	106	2.796		
	Total	323.864	109			
Rising cost of living	Between Groups	10.053	3	3.351	2.256	.086
	Within Groups	157.447	106	1.485		
	Total	167.500	109			
Family responsibilities	Between Groups	37.472	3	12.491	9.684	.000
	Within Groups	136.719	106	1.290		
	Total	174.191	109			
Debt repayment	Between Groups	8.117	3	2.706	1.481	.224
	Within Groups	193.601	106	1.826		
	Total	201.718	109			
Future savings	Between Groups	33.883	3	11.294	6.115	.001
	Within Groups	195.789	106	1.847		
	Total	229.673	109			
Managing expenses	Between Groups	30.412	3	10.137	6.268	.001
	Within Groups	171.443	106	1.617		
	Total	201.855	109			

## INTERPRETATION:

The ANOVA results examine the relationship between reasons for seeking additional income and area of college. There is a significant difference for insufficient salary ( $F = 3.280$ ,  $p = 0.024$ ), indicating that this reason varies across areas. Family responsibilities show a highly significant difference ( $F = 9.684$ ,  $p = 0.000$ ), suggesting strong variation between urban and rural respondents. Similarly, future savings ( $F = 6.115$ ,  $p = 0.001$ ) and managing expenses ( $F = 6.268$ ,  $p = 0.001$ ) are also statistically significant, indicating these factors differ by area of college. However, rising cost of living ( $p = 0.086$ ) and debt repayment ( $p = 0.224$ ) are not significant, implying these reasons are similar across different areas.

## FINDINGS:

**Gender of the respondents:** The study reveals that majority of the respondents (70.9%) are female professors

**Age of the respondents:** The study reveals that majority of respondents (61.8%) fall into the category of below 30 years.

**Area of college:** The study reveals that majority of the respondents (69.1%) are from urban area.

**Years of teaching experience:** The study reveals that majority of the respondents (60.0%) have below 5 years of teaching experience

**Nature of employment:** The study reveals that majority of the respondents (51.8%) are employed on a full-time basis.

**Educational qualification:** The study reveals that most of the respondents (39.1%) are Ph.D. holders.

**Monthly salary:** The majority of the respondents (80.0%) earn between Rs. 20,000 – Rs. 40,000.

**Designation:** The majority of the respondents (67.3%) are Assistant Professors.

**Source of managing financial emergencies:** The majority of the respondents (82.7%) use personal savings as the most preferred method for managing financial emergencies.

**CHI-SQUARE ANALYSIS:** There is a significant relationship between Area of college and Satisfaction with current salary (Adequacy to meet monthly expenses)

**GARRETT RANKING:** The majority of respondents (1136.00) show that loan repayment is the primary financial concern.

**ANOVA:** There is no significant relationship between reason for seeking additional income and area of college

## SUGGESTIONS:

1. Institutions should consider salary revision and workload regulation to improve overall job satisfaction, especially for early-career and assistant professors.
2. Financial planning support and awareness programs could help professors manage loans, housing, and other financial constraints more effectively.
3. Encouraging diversified investment options and providing guidance on mutual funds, insurance, and savings can strengthen financial security.

## CONCLUSION:

The study highlights that economic difficulties are a major concern for professors in self-financing colleges. Low salary, job insecurity, and rising living costs create financial instability. These challenges not only affect their personal life but also reduce professional efficiency. Addressing these issues through better policies and institutional support is essential for improving the quality of education and the well-being of faculty members.

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