



To study the impact of reasonable Education Pricing over indulging it as an investment Opportunity with special reference to management graduates.

Dr. Adveta S Gharat-Assistant Professor- D Y Patil Deemed To Be University School of Management. Email id- adveta.gharat@dypatil.edu

Dr. Priya Vij- Assistant Professor- D Y Patil Deemed To Be University School of Management. Email id- priya.vij@dypatil.edu

Dr. Vani Kamath, Dean- DY Patil Deemed To Be University School of Management. Email id- vani.kamath@dypatil.edu

Abstract-

With the advent of COVID-19 and the repercussions that have come as a post-pandemic impact in terms of lockdown, finances have been a major worry for numerable people. People have lost jobs or have salary or pay cuts. Health has become a factor of risk and can demand spending money at any point of time if infected by COVID-19. In such a scenario, education has dropped down the priority list of people. Educational Institutes are facing massive changes in the way in which they have to operate now. The teachers and students have undergone a sea transition in the delivery and reception of the teaching-learning system. Where the current scenario for higher education is already expensive the virtual shift has led a thought process of students whether the teaching-learning is worth the amount they are spending. This research paper focuses on identifying the reasons why management graduates do not find the fee structure as reasonably priced, rather than considering it as an investment which was a general mindset before lockdown. The research focuses on identifying the student's perspectives about what could be the options that could make them feel that the education is reasonably priced. The research paper will also try to put forth solutions that will make the educational investment worthwhile. The study is focused majorly on peripheral limitations of Navi Mumbai, Maharashtra. The student base includes only the management graduates both from Undergraduate and postgraduate programs. The approach is to find solutions that could make the temporary online mode of education investment and not an expense.

Keywords- Reasonable, Education, Pricing, Investment, Expense

Introduction-

COVID-19 has projected all the educational institutions to a scenario where they have to alter their pricing strategies with the constant pressure of increased performance expectations. Educational institutes have constant gusts blowing in terms of their pricing strategies in during as well as post-COVID-19. Cognizing the fact that are reckoned vital to the potential new students it is imperious to meticulously develop strategies on the marketing front and create seemly apt prices/installments options during the economically challenging times. The student's line of thought runs around the fact that they tend to value other components of their education more than that of the tuition fees, which highly impacts the decision that they take before enrolment.

The apt strategy in such a situation should consider a broad spectrum which includes employee performance improvement, cost and finance management, design and accommodating oneself into this changing work environment and tuition pricing. A focussed approach to reframe the current pricing should considerably have a thorough study of current pricing and the impact of any alterations done in accordance with the new expectations. The institutions should realize and market their capabilities and core competencies within their target markets and should provide an insider view to promote guidance about their pricing strategy. The reasonable fee structure in context to the research applies to the fact that education is available to the student at fair value, at the same time it does not create any economic pressure on the educational institute.

Objectives-

- a. To analyze the reasons for the mindset of students for unreasonable education pricing during COVID-19
- b. To identify solutions to make education a worthwhile investment.

Literature Review-

Of late it's been observed on the matter concerning bearing the impact of COVID-19 on varied educational institutes, especially on the financial front. A massive commotion is created on both the parties of the educational institutes namely students and the institute itself. The complete shift from real-time classes to the virtual model of conduct has led organizations to transform as well relearn novel methodologies to connect to the students to keep them abreast with the flow. The rudimentary style of classroom teaching is no more part of the student or the teacher's life. According to a study conducted by Broke Scholar-An, an increase of 220 percent is seen in the tuition fees hike from 1971-72 to 2019-2020. The average fees have tripled in dollars from the academic year 1971-72 to 2019-2020. In certain other cases, it has quadrupled as well.

On no account has any other sector been affected the way education has been worst hit by COVID-19. Looking at the data published by the Centre for Monitoring Economy millions of people lost their jobs in tyre 1,2 and 3 cities. This scenario catalysed the process to increase the student dropout rate in schools as well as colleges. The adaptability rate of students belonging to cities to the virtual model of teaching and learning had been easier as compared to that of regional rural areas.

The publication cited in National Herald clearly depicts the increase in the dropout rates of students due to the economical imbalance created of the pandemic. Bigger challenges like student mental and physical health, economic wellbeing to create a sustainable life for the family all have increased to a very great extent.

Research Methodology-

The contemporary technical advancement in teaching and learning has dramatically changed the working style of educational institutes. The human and interpersonal connection has gone at a toss between the student and teachers. In this study, data has been collected from 100 students. This study investigates the reasonability of educational pricing in context to COVID-19 overindulging it as an investment opportunity.

Data Analysis and Interpretation-

Hypothesis Testing

Hypothesis 1:

H0: The college fees is not reasonable

H1: The college fees is reasonable

The t test of two independent samples were conducted to prove the above hypothesis. The results of the same are as follows:

t-Test: Two-Sample Assuming Unequal Variances

	<i>l</i>	<i>l</i>
Mean	19.5	32.5
Variance	111	325.5
Observations	36	62
Hypothesized Mean Difference	50	
df	96	
t Stat	-21.82384018	
P(T<=t) one-tail	2.70045E-39	
t Critical one-tail	1.66088144	
P(T<=t) two-tail	5.40089E-39	
t Critical two-tail	1.984984312	

As per the above table, the t value is -21.82 and is less than the t critical one tail 1.66 hence, the null hypothesis is accepted. The p value is 2.700 and is greater than 0.05. Hence the Null hypothesis is accepted.

Thus it can be accepted that the college fees is not reasonable.

Hypothesis 2:

H0: The students are not satisfied with the college fees during Covid 19.

H1: The students are satisfied with the college fees during Covid 19.

The t test was applied to test the above hypothesis. The results of the test are given below:

t-Test: Two-Sample Assuming Unequal Variances

	<i>Satisfied</i>	<i>Highly unsatisfied</i>
Mean	7.5555556	1.944444
Variance	227.55556	32.11111
Observations	18	36
Hypothesized Mean Difference	50	
df	19	
t Stat	12.065963	
P(T<=t) one-tail	1.181E-10	
t Critical one-tail	1.7291328	
P(T<=t) two-tail	2.362E-10	
t Critical two-tail	2.0930241	

As per the above table, the t value is -12.06 and is less than the t critical one tail 1.72 hence, the null hypothesis is accepted. The p value is 1.18 and is greater than 0.05. Hence the Null hypothesis is accepted.

Thus it can be concluded that the students are not satisfied with the college fees during Covid 19.

Hypothesis 3:

H0: Charging of high fees is unreasonable.

H1: Charging of high fees is reasonable.

The t test was applied to test the above hypothesis. The results of the test are given below:

t-Test: Two-Sample Assuming Unequal Variances

	<i>1</i>	<i>2</i>
Mean	1.928571429	3.636363636
Variance	12.07142857	29.45454545
Observations	14	11
Hypothesized	Mean	
Difference	50	
df	16	
t Stat	27.48264992	
P(T<=t) one-tail	3.39861E-15	
t Critical one-tail	1.745883676	
P(T<=t) two-tail	6.79723E-15	
t Critical two-tail	2.119905299	

As per the above table, the t value is -27.48 and is less than the t critical one tail 1.75 hence, the null hypothesis is accepted. The p value is 3.39 and is greater than 0.05. Hence the Null hypothesis is accepted.

Thus it can be concluded that the Charging of high fees is unreasonable.

The majority of the students mentioned that they faced financial issues post pandemic due to which they were not able to pay the fees. Some of the students mentioned that no physical college events and no usage of the college infrastructure are the main reasons for this opinion.

Hypothesis 4:

H0: There was no flexibility provided by the college in fees payments.

H1: The college provided flexibility in the fees payments.

The t test was applied to test the above hypothesis. The results of the test are given below:

t-Test: Two-Sample Assuming Unequal Variances

	<i>1</i>	<i>2</i>
Mean	1.984615385	3.942857
Variance	63.01538462	132.1143
Observations	65	35
Hypothesized	Mean	
Difference	50	
df	52	
t Stat	23.85474188	
t Critical one-tail	1.674689154	

As per the above table, the t value is 23.85 and is more than the t critical one tail 1.67 hence, the null hypothesis is rejected.

Thus the alternate hypothesis is accepted. Hence, the college provided flexibility in the fees payments.

Hypothesis 5:

H0: There is no flexibility in fees payments.

H1: There is flexibility provided in fees payments.

		Full Fee Waiver		Partial Fee Waiver		None	
Installments							
Mean	1.977778	Mean	3.8	Mean	5.9	Mean	7.733333333
Standard Error	0.977778	Standard Error	1.8	Standard Error	2.9	Standard Error	3.733333333
Median	1	Median	2	Median	3	Median	4
Mode	1	Mode	2	Mode	3	Mode	4
Standard Deviation	6.559133	Standard Deviation	5.692099788	Standard Deviation	15.88395	Standard Deviation	14.45913783
Sample Variance	43.02222	Sample Variance	32.4	Sample Variance	252.3	Sample Variance	209.0666667
Kurtosis	45	Kurtosis	10	Kurtosis	30	Kurtosis	15
Skewness	6.708204	Skewness	3.16227766	Skewness	5.477226	Skewness	3.872983346
Range	44	Range	18	Range	87	Range	56
Minimum	1	Minimum	2	Minimum	3	Minimum	4
Maximum	45	Maximum	20	Maximum	90	Maximum	60
Sum	89	Sum	38	Sum	177	Sum	116
Count	45	Count	10	Count	30	Count	15

The descriptive statistics depict that there is more flexibility in fees payments and majority of the students agreed that Instalments and partial fee waiver was provided by the college in the payment of the fees. Hence Alternate hypothesis is accepted.

Hypothesis 6:

H0: There are many measures taken by the college to make fees worthwhile.

H1: There are no measures taken by the college to make fees worthwhile.

To prove this hypothesis, ANOVA was used. As p value in the table is 0.83 and is more than the Alpha value of 0.05, the null hypothesis is accepted.

Thus the college has taken many measures to make the fees worthwhile.

Anova: Single Factor						
SUMMARY						
<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>		
Skill (hard as well as soft) upgradation online trainings can be conducted.	19	36	1.894737	15.21053		
webinars	10	36	3.6	25.6		
Helping in doing research for increasing the value of student CV.	9	48	5.333333	49		
Conduct trainings to face the new virtual world.	12	88	7.333333	133.3333		
All of the above.	56	550	9.821429	1301.786		
ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	1080.514	4	270.1286	0.368883	0.830307	2.461698
Within Groups	73961.07	101	732.2878			
Total	75041.58	105				

Hypothesis 7:

H0: The students are satisfied in terms of transition from offline to online mode.

H1: The students are not satisfied in terms of transition from offline to online mode.

Anova: Single Factor						
SUMMARY						
<i>Groups</i>	<i>Count</i>	<i>Sum</i>	<i>Average</i>	<i>Variance</i>		
5	18	175	9.722222	401.3889		
4	42	332	7.904762	640.381		
3	11	63	5.727273	81.81818		
2	19	74	3.894737	68.21053		
1	10	19	1.9	8.1		
ANOVA						
<i>Source of Variation</i>	<i>SS</i>	<i>df</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit</i>
Between Groups	615.2085	4	153.8021	0.415113	0.797369	2.467494
Within Groups	35198.1	95	370.5063			
Total	35813.31	99				

To prove this hypothesis, ANOVA was used. As p value in the table is 0.797 and is more than the Alpha value of 0.05, the null hypothesis is accepted.

Conclusion-

The transition of offline to online is imperative in order to make sure that students do not suffer the setbacks in future. A general trend has been observed in terms of higher education getting expensive in each coming year. Thus pandemic is not the only reason for increased fees it's an effect that has come over the years due to numerable factors. The research elaborates that the students feel the education pricing unreasonable majorly due to not using the infrastructure/resources and secondly due to their personal family financial turmoil's they are going through. The student's perspective may change if the fees payment duration /instalments and fee relaxation is given on the financial situation of the student. It is also observed that if the colleges go beyond just taking lectures and are working on upgrading the student's skillset to make them more employable they will not feel the education becoming as expense for them.

Suggestions and Recommendations-

- The virtual teaching learning has been applied in a hurried fashion. The teachers should be trained to make the class more engaging rather than just one way communication in the session.
- The other factors for increase in higher education fees is a major area to be studied further.
- The colleges and the teacher's upgradation efforts have not been studied in details which gives scope for further research.
- This research is conducted only on management students studying in the area of Navi Mumbai, thus gives scope for further development.
- Mental and Physical health parameters are not in the scope of this research.
- Placement scenario consideration in future will give further scope for study.

References-

[College students seek fee reduction due to pandemic situation - Hindustan Times](#)
['Profiting during a pandemic': Students protest full fees being charged by colleges for online classes \(newslandry.com\)](#)
[the-impact-of-COVID-19-on-education-insights-education-at-a-glance-2020.pdf \(oecd.org\)](#)
<https://www.bing.com/search?q=solutions+to+make+education+fees+a+worth+while+investment+in+pandemic&qsn=&form=QBRE&sp=-1&pq=solutions+to+make+education+fees+a+worth+while+investment+i&sc=2-59&sk=&cvid=0DFBBD876F264F2CADC4FE18417F9A6D>