

A STUDY ON FINANCIAL WELL BEING OF COLLEGE TEACHERS DURING COVID-19 WITH SPECIAL REFERENCE TO KERALA

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Abstract

Financial wellbeing to an individual is the ability of person to meet current and future financial obligations and ability to choose what he wishes to have and enjoy life. Financial wellbeing should be ensured by government of every country to it's citizens to ensure welfare state. The purpose of this study is to check whether covid 19 pandemic has affected the life of college teachers. To conduct the study 261 samples were collected from three parts of Kerala. Cluster sampling method was adopted and equal number of samples was collected from each cluster. Both private college and government college teachers were included in the sample to make the population more inclusive. The present study reflects that Covid 19 pandemic has greatly affected the life of college teachers. While comparing both private and government and aided teachers, financial wellbeing of private teachers are more affected. The study also reflects that financial wellbeing differ in different streams of teachers i.e. arts, science and commerce.

Key words: Impact of Covid 19, Financial Wellbeing, Financial Ability.

Introduction

The UN's Framework for the Immediate Socio-Economic Response to the COVID 19 Crisis warns that "The COVID-19 pandemic is far more than a health crisis: it is affecting societies and economies at their core. While the impact of the pandemic will vary from country to country, it will most likely increase poverty and inequalities at a global scale. The pandemic has changed the lives of the 7.8 billion people in the world prompting governments and citizens to start rethinking how life should be in a new normal. The outbreak of COVID-19 has impacted nations in an enormous way, especially the nationwide lockdowns which have brought social and economic life to a standstill. A world which forever buzzed with activities has fallen silent and all the resources have been diverted to meeting the never-experienced before crisis. There is a multi sectoral impact of the virus as the economic activities of nations have slowed down. (Monika Chaudhary, P. R. Sodani, 2020). According to IMF report World is faced with extraordinary uncertainty about the depth and duration of this crisis, and it was the worst economic fallout since the Great Depression. World Bank estimated that the impact of Covid 19 pandemic affect 2.2 percentage to 4.8 percentage of world GDP.

Covid- 19 has brought so many problems to the present society. One of the major problems is financial insecurity and distress. Thousands of companies are adopting lay off programs to reduce their work forces which causes the job loss and financial problems to employees. On the other side entrepreneurs are facing huge loss in demand for products and thousands of ventures are forced to close their business which results in financial pressure among entrepreneurs. Not only have the citizens of the country but the government also faced economic and political pressures. It is believed that the ripple effect of economic slowdown due to Covid -19 will continue more than ten years and will take time to recover because the effect which has made deeper than what we expect.

The government of every country is looking for welfare of their citizens. One of the major welfare parameter of the society is financial security. So government should ensure financial security to its citizens. Financial security can be ensured by financial wellbeing of its citizens. By ensuring financial wellbeing, financial distress can be reduced and can ensure peace and tranquility among

From table No four it is observed that the sig value for managing unexpected expenses, managing day today expenses, enjoying life due to managing money, feel financial strain and managing surplus money are 0.10, 0.022, 0.044 and 0.017. So there is significant differences in this variables among science commerce and arts teachers. And also the sig value of total score is 0.00 so there is significant difference in means value of total financial wellbeing score among arts, commerce and science teachers.

Table 5 Multiple Comparison of stream of teaching

Stream of teaching	Stream of teaching	Mean Difference	Std. Error	Sig.
Arts	commerce	3.454*	.964	.001
	Science	3.00	1.592	.981
commerce	Arts	3.454*	.964	.001
	Science	3.754*	1.358	.017
Science	Arts	3.00	1.592	.981
	commerce	3.754*	1.358	.017

Source (Primary data) (5% level of significant)

There is a statistically significant difference between groups of variables as determined by One way ANOVA ($F = 4.727$) ($p = 0.01$). Tukey post hoc test revealed that managing unexpected expenses, managing day today expenses, enjoy life due to proper management of money, keeping surplus money and feel financial strain is statistically significant with sig value of 0.001, between arts and commerce and sig value of 0.017 between commerce and science. There is no statistically significant difference between arts and science group.

Conclusion

Covid-19 has affected people from all walk of life including college teachers. The present study of impact of Covid 19 on the financial wellbeing reflects that both government and private college teachers life has affected by covid but it is more affected by private college teachers. It may be due to cut in salary and other perquisites and job loss. The paper also reflect that financial wellbeing between different streams of teachers like arts, commerce and science are different, it may be due to low financial literacy to commerce teachers.

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medium term. The UN's work on socio-economic impact assessments and recovery frameworks must therefore be viewed as a fluid process, responding to national contexts and evolving over time. (Brief Prepared by the United Nations Development Program (UNDP), June 2020)

Financial literacy, financial attitude and financial wellbeing are positively and significantly related to economic empowerment. Higher the level of financial literacy and positive financial attitude in women, greater will be the financial wellbeing and ultimately increase women's empowerment. Economic empowerment is found to be affected by age, education, income level, marital status, profession, saving and investment behavior. Significant difference in economic empowerment was found on the basis of age and marital status of the respondent. Finally, results revealed that the presence of financial literacy, positive financial attitude and financial wellbeing is necessary for the economic empowerment of working women. (Abdul Haque and Mehwish Zulfic, 2016)

The household financial indebtedness occurs since the household makes larger consumption than the total household income. This activity emerges the obligation that should be carried out by the household. This vulnerability emerged due to debt but may also emerge due to the perception of the household on its condition, which is referred to as the subjective financial wellbeing. Reflecting on studies in the poverty sector, this perception is strongly affecting the behavior and distinguishes the ability and efforts of the household to settle its obligations. Reflecting on the studies in the poverty sector, this perception is strongly affecting the behavior and distinguishes the ability and efforts of the household to settle its obligations. (Dwini Handayani, Ummu Salamah, Restananda Nabilla Y, 2016)

Significance and scope of study

Covid 19 has greatly impacted on life and livelihood of all walks of the society. College teachers are not an exception to this. Salary cut from the part of government and private institutions has greatly affected the teacher's life due to non-repayment of loans and non-availability of funds for meeting both ends of life. Financial wellbeing is the state of how people are well enough to meet their present and future financial commitments. As most of private colleges cut the salary by half due to the pandemic and twenty percentage salaries cut by government of Kerala for all employees including college teachers had made the life of teachers miserable. So the present study focuses on how Covid-19 pandemic affected the financial wellbeing of college teachers of Kerala. The present study focuses on private, aided and government college teachers of Kerala. The study concentrates on how financial wellbeing is affected due to Covid-19 pandemic.

Objectives

- To study the impact of Covid 19 on financial wellbeing of college teachers
- To compare financial wellbeing among private, aided and government college teachers.
- To make a multiple comparison regarding the financial wellbeing among arts, commerce and science teachers.

Hypothesis

- Covid 19 has not affected financial wellbeing of college teachers.
- There is no difference in financial wellbeing between private college teachers, and government aided teachers during Covid period.

3. There are no subject wise differences between college teachers with regard to financial wellbeing during covid19 period.

Methodology

In order to examine financial wellbeing of college teachers during Covid period, samples were collected from the college teachers. To collect the samples, cluster sampling method were adopted. As a part of cluster sampling the Kerala state is divided in to three regions i.e. Southern parts, central part and northern parts. Total 261 samples were collected with equal number of samples from each cluster. In each cluster half of the samples are from government or aided and remaining were privet college teachers. Structured questionnaires where used collect data from the samples. Questionnaire was sent through Google forms to collect data.

Collected data were analyzed by using descriptive statistics. To know whether the Covid 19 has affected the life of college teachers, Means score and standard deviations were used. To know is there any differences between privet teachers and government and aided college teachers regarding financial wellbeing **Independent Sample t Test** was applied. To know is there any differences in financial wellbeing between arts, commerce and science teachers, **One Way ANOVA** was applied and to make a multiple comparison between three streams of teaching **Post Hoc Tukey test** was conducted.

Scale for measuring financial wellbeing

For the purpose of measuring financial wellbeing CFPB Financial wellbeing scale is used. CFPB scale incorporates consumers' perceptions of financial well-being to deliver a single financial well-being score that captures the four elements of financial well-being i.e. 1) control over one's finance 2) Capacity to absorb financial shock 3) Meet financial goal and 4) Enjoy life due to proper management of finance were included. The scale is constructed so that it is possible to compare different people's scores directly, or to see how an individual's financial well-being changes over time. (Consumer Financial Protection Bureau 2015)

Discussion

Impact of Covid19 on financial wellbeing of college teachers

Covid 19 has greatly affected people of all walk of life including college teachers. Comparing to privet college teachers, government and aided college teachers are less affected due to Covid 19. Privet college teachers are affected due to job loss and salary cut. Most of the privet colleges were given only half of the salary to employees. As government of Kerala also cut 20 % of salary, government and aided college teachers life also affected. To conduct financial wellbeing of college teachers during Covid 19 ten financial wellbeing variables were studied and the result is given bellow.

Table 1: Impact of Covid 19 on financial wellbeing of college teachers.

Variables	Mean	Std. Deviation
Managing Unexpected expenses	2.06	1.088
Managing Finance for future	1.91	1.152
Managing Day to day expenses.	2.66	1.134
Enjoy Life due to Proper management of finance	2.43	.926
Improving financially	2.22	1.091
Concerned about finance	2.24	1.191
Feel financial strain	2.15	1.158
I have money surplus	1.96	1.183
I am financially backward	2.15	1.194
Finance control my life	1.54	1.274
Total score	21.32	5.248

Source: (Primary data)

I have money surplus	2.01 1.94	1.057 1.233	.078 .078	.483 .514	.630 .608
I am financially backward	1.61 2.37	1.002 1.198	-.761 -.761	-4.905 -5.280	.000 .000
Finance control my life	1.48 1.56	1.231 1.294	-.084 -.084	-.486 -.496	.628 .621

Source (Primary data)

Table shows that the mean value of managing unexpected expenses, managing finance for future, managing day to day expenses, enjoy life due to managing finance, improving financially, concerned about finance, feel financial strain for privet college teachers and government and aided college teachers are 1.60 and 2.20, 1.26 and 2.18, 2.14 and 2.87, 1.99 and 2.61, 2.77 and 2.00, 1.96 and 2.35, 1.61 and 2.37 respectively. So government and aided teachers are better at this area of financial wellbeing. It is also found from the independent sample t test that the differences are significant as the sig value is less than 0.05 in all the above variables.

The above table also reflects that the mean score for feel financial strain, surplus money and finance control the life are 1.96 and 2.23, 2.01 and 1.94, and 1.48 and 1.56 respectively. So the government and aided teachers are better at controlling life and feeling less financial strain. It is also found from the table that the sig value of the above variable is more than 0.05. So the differences are not significant.

Table 3: Overall financial wellbeing of privet, aided and government college teachers

	Institutions	Mean	Std. Deviation	Mean deference	Sig Value
Total	Privet College Teachers	18.78	5.450	3.592	0.00
	Government and aided teachers	22.37	4.796		0.00

Source (Primary data)

From table number three it is observed that the mean score of financial wellbeing of privet college teachers and government and aided teachers are 18.78 and 22.32 respectively. And also found from the independent sample t test that the sig value is 0.00 which is less than 0.05. So there is significant difference in financial wellbeing among privet teachers and government and aided college teachers.

Financial wellbeing among arts, commerce and science teachers

As commerce teachers are well educated financially they should possess good financial knowledge and should be able to manage finance in life. The present study tested which stream of college teachers are good in managing finance during Covid 19 period.

Table 4: Financial wellbeing among arts, Commerce and Science teachers

	F ratio	Sig Value		F ratio	Sig value
Managing unexpected expenses	4.727	.010	Concerned about finance	2.463	.087
Managing finance for future	2.440	.089	Feel financial concerns	0.382	.683
Managing day to day expenses	3.863	.022	Feel financial strain	4.110	.017
Enjoy life	3.165	.044	Surplus money	23.475	.000
Financial backward	1.688	.187	Total	9.415	.000
Finance control life	1.329	0.267			

Source (Primary data)

From the above table it is analyzed that the mean score of managing unexpected expenses is 2.06 in a five point scale with a standard deviation of 1.088 which means that college teachers were not able to meet unexpected expenses during Covid period. The mean score of managing finance for future is 1.91 with a standard deviation of 1.152 which shows the ability of college teachers during Covid19 to manage their future finance was low. The mean score of managing day to day expenses is 2.66 with a standard deviation of 1.134, which shows the ability of college teachers to manage day today expenses was moderate. The mean score of enjoy life due to proper management of money is 2.43 with a standard deviation of 0.926, which shows that enjoying life due to proper management of finance during Covid period was moderate. The mean score of improving financially is 2.22 with standard deviation of 1.091 which show that financial improvement of college teachers during Covid period is poor. The means score of question asked about concerned about finance is 2.24 with standard deviation of 1.191 which means that most of the college teachers were concerned about their finance during Covid period. The means score of feeling financial strain during Covid period is 2.15 with standard deviation of 1.158 which show that majority of college teachers felt financial strain during Covid period. The means score of having surplus money is 1.96 with standard deviation of 1.183, which means that the surplus money with college teachers during Covid period was very less. The mean score of finance controlling the life of teachers during Covid period is 1.54 with standard deviation 1.27, which show that the most important factor that controlled the life of teachers were finance. The total mean score of financial wellbeing of college teachers are 21.32 with standard deviation of 5.248, which means that the financial wellbeing of teachers during Covid period is poor.

Financial wellbeing of privet and government college teachers

Privet college teachers are one of the most affected communities during Covid period due to salary and job cut. Majority of the privet teachers got only half of their salary. Even though there was salary cut to government and aided college teachers comparing they could manage their expenses from the surplus salary.

Table 2: Financial well beings among privet, government and aided college teachers.
t-test for Equality of Means

	Mean	SD	Mean difference	95% Confidence Interval of the Difference	
				Sig Value	t value
Managing Unexpected expenses	1.60	1.042	0.661	-4.656	.000
	2.26	1.049	0.661	-4.669	.000
Managing Finance for future	1.26	1.005	0.918	-6.296	.000
	2.18	1.103	0.918	-6.544	.000
Managing day to day expenses.	2.14	1.085	-.728	-4.943	.000
	2.87	1.088	-.728	-4.949	.000
Enjoy Life due to Proper management of finance	1.99	1.070	-.626	-5.236	.000
	2.61	.792	-.626	-4.634	.000
Improving financially	2.77	1.111	.766	5.461	.000
	2.00	1.003	.766	5.234	.000
Concerned about finance	1.96	1.175	-.394	-2.463	.014
	2.35	1.182	-.394	-2.469	.015
Feel financial strain	1.96	1.240	-.265	-1.694	.092
	2.23	1.116	-.265	-1.621	.107

citizens. Individuals feel financial wellbeing when they are able to meet financial obligations and are secure about future financial commitments.

Definition

Financial wellbeing is the state of individual in which he is able to meet the current and future financial obligation. According to Consumer Financial Protection Bureau 2015 financial wellbeing is defined as "a state of being wherein a person can fully meet current and future financial obligations, can feel secure in their financial future, and is able to make choices that allow them to enjoy life". So it is a state of mind where a person feels secure about his present and future financial requirements and obligations.

Elements of financial wellbeing

According to Consumer Financial Protection Bureau 2015 following are the elements of financial wellbeing

1. Having **control over one's finances** in terms of being able to pay bills on time, not having unmanageable debt, and being able to make ends meet.
2. Having a financial cushion against unexpected expenses and emergencies. Having savings, insurance, good credit, and being able to rely on friends and family for financial assistance are factors that increase consumers' **capacity to absorb a financial shock**.
3. Having **financial goals**—such as paying off one's student loans within a certain number of years, saving a particular amount towards one's retirement and being **on track to meet those financial goals** also made people feel like they were in good shape financially.
4. Being able to make **choices that allow one to enjoy life**—such as taking a vacation, enjoying a meal out now and then, going back to school to pursue an advanced degree, or working less to spend more time with family—was also deemed an essential ingredient in financial well-being. (Consumer Financial Protection Bureau 2015)

Literature Review

In the COVID-19 crisis food security, public health, and employment and labor issues, particularly workers' health and safety, converge. Adhering to workplace safety and health practices and ensuring access to decent work and the protection of labor rights in all industries will be critical in addressing the human dimension of the crisis. Immediate and purposeful action to save lives and livelihoods should include extending social protection towards universal health coverage and income support for those most affected. These include workers in the informal economy and in poorly protected and low-paid jobs, including youth, older workers, and migrants. Particular attention should be paid to the situation of women, who are over-represented in low-paid jobs and care work. Different forms of support are key, including cash transfers, child allowances and healthy school meals, shelter and food relief initiatives, support for employment retention and recovery, and financial relief for businesses, including micro, small and medium-sized enterprises. In designing and implementing such measures it is essential that governments work closely with employers and workers. (World Health Organization, Impact of Covid 19 on people livelihood, October, 2020)

The outbreak of COVID-19 has impacted nations in an enormous way, especially nationwide lockdowns which have brought social and economic life to a standstill. A world which was forever buzzed with activities has fallen silent and all the resources have been diverted to meeting needs never-experienced before crisis. This COVID-19 pandemic affected the manufacturing and services sector—hospitality, tours and travels, healthcare, retail, banks, hotels, real estate, education, health, IT, recreation, media and others. The economic stress has started and will grow rapidly. With lockdown and social distancing result in productivity loss on the one hand, they cause a sharp decline in demand for goods and services by the consumers in the market on the other, thus leading to a collapse in economic activity. However, lockdown and social distancing are the only cost-effective tools available to prevent the spread of COVID-19. (Monika Chaudhary, P. R. Sodani and Sharada Das)

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