MONITORING THE UNIVERSITY DEBTS AND DEBTOR'S ABILITY TO PAY.

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ABSTRACT

Monitoring the university debt is very important duty for the financial office in campus of Suan Sunandha Rajabhat University. This is because as debt become overdue. There many high risk of non-settlement. It has become a good practice of the university to always keep monitoring debts and debtor's ability to pay. Effectiveness of monitoring debts and debtors helps to enhance the university's image and it is essential to enhance public confidence about the strong financial process of the higher education institutions. The purposes of this study were to monitoring the problem of university debts and to evaluate the ability to pay of debtors. The study utilized a quantitative research technique and a total of 15 staff and faculty members was chosen for an in-depth interview and focus group. The findings from the respondents of this focus group unveiled that they were very happy with the system of debt monitoring of the university which was very effectives and give them enough warning and notice in a polite way but very assertive. However, a unified debt management system is needed to implement for the future monitoring and managing debts effectively. The development of the new system should include data connectivity decision making process, and communication and flow process collection, and debt management.

Keyword: Monitoring, University Debts, Debtors

INTRODUCTION

Debt management and monitoring are critical not only for maintaining sound financial of the university but also mobilizing long term stable vital resources of the university. From the history of financial management of the campus of Suan Sunandha Rajabhat University, as debt become overdue, there are evidently greater risks of default and significant non settlement. The kind of problem happens again and again and it is often peak during the economic recessions. Debt monitoring is one of the best ways to control and tracking of an individual's credit and debt history to comprehend his or her changing behavior or suspicious behavior that may be detrimental to the financial integrity of the university. Therefore, it is one of the most important functions of financial resources management of the university. Many changing behaviors or suspicious activities, if discovered early, could be easily to prevent or to minimize from any harmful practices. In terms of financial safety, prevention action is often better than cure action. This is because it is the cost money, time and efforts of prevention is significantly lower than that of the cost of solving the problems later.

In general, debt monitoring is under many influences factors both internal and external critical factors. Many internal factors include management policies, rules and regulation, corporate culture, social relation, networking, and so forth. Other factors can be external factors such as economic recession, employment opportunities, individual family financial situation, family status and conditions, health, and so forth.

It is imperative to have an in-depth discussing about importance of debt monitoring that can lead to both prevention measurement and protection of campus financial integrity. Debt monitoring must be done with the implement of critical success factors which may have positive impacts or negative impacts to the perception of employees and stakeholders. In other words, it is important to have regular debt monitoring and warning of any suspicious activities but it may affect the attitude of campus working environment that the department, or organization, or employees are under scrutinize in their private life. This means the debt monitoring must be conduct with discretionary judgement because it has a tremendous influence and effects to either job satisfaction of job dissatisfaction.

METHODOLOGY

In the modern competitiveness of higher education institution, monitoring the university debt is certainly very important duty for the financial office in campus of Suan Sunandha Rajabhat University. This is because as many debts become overdue, there are high potential risks. In fact, there are many high risk of non-settlement each year in many campus around Thailand that may leads to the problem of bankruptcy. One of the best policy in this campus is to have a good practice of the university that to always keep monitoring debts and debtor's ability to pay. Effectiveness of monitoring debts and the situation of debtors as well as their suspicious activities helps to enhance the university's strong image of integrity and it is important to improve public confidence about the strong financial process of the higher education institutions. The purposes of this study were to monitoring the problem of university debts and to evaluate the ability to pay of debtors and provide the best characteristics of good standing of campus debt portfolio. The study utilized a quantitative research technique with a small group of campus employees who had a long experience in this topics. Hence, a total of 15 staff and faculty members was chosen for an in-depth interview and focus group.

FINDINGS

The findings from the discussion with the respondents of this focus group revealed that they were actually very happy with the current system of debt monitoring of the university. Many respondents agreed with there were high risks associated with a few large debts in campus of Suan Sunandha Rajabhat University. The monitoring system must be supported by high level of campus management which should be very effectives and give debtors sufficient times and grace period of warnings and notices in a polite way but very assertive. However, one of the most important comments from the respondents is that a unified debt management system is needed to implement for the future monitoring and managing debts effectively. The development of the new system should be implement as soon as possible and should include data connectivity decision making process, and communication and flow process collection, and empowering debt management.

By employing the method of in-depth interview, the findings of this study can be reported that debt monitoring and management directly and indirectly affected the success of organizations in the campus as well as affected the key success of financial integrity such as high cost, and high risk of default and in turn, affected the productivity, performance, and profitability. However, good intention and good practice of campus debt monitoring and management often related to the three situations. First, it is important to ensure there is sufficient money to finance many campus projects that will benefit students and employees directly. Second, it is important to ensure that the cost of debt has been minimized but subject to proper containing risks in both short term and long term. Third, it is important to promote

the low risk debtors to have open access to campus financial resources. From the focus group discussion, it can be reported from the experiences of the focus group that there are some of the desired financial characteristics of better standing of campus debt portfolio.

1. Proper share of the mixed of campus internal debts and external debts.
2. Many prominent and many co-signs of the large debts
3. Willingness of full corporation from debtors
4. Open communication channel with all debtors
5. Low problem with inflation
6. Transparency of the projected that financed by campus money
7. Effectiveness of authority and committee supervising the debts
8. High volume of debts has been being well managed and monitoring closely
9. Full program of disclosure of the borrowing program
10. Lowering cost of monitoring and checking

SUGGESTION

The suggestions from this study gathered from many respondents who had a long experience working in the campus about the debt situation and debt monitoring. The suggestions that needs to be implement as soon as possible including that the supervisors should take assertive way and effective ways to handle the difficult situation from high risk debtors. The first step is to identify their situation. Write it down what are problems and what the damage is, and how can help be delivered? Who are involved in the debt situation? Then, offer new idea to resolve the situation with mercy and use a constructive discussion aiming to solve the problem with minimizing the cost, time and effort. Do no focus the problem by blaming but allowing the difficult debts to react to the discussion meeting and allow debtors to suggest the resolutions. Moreover, it is vital to have a formal document on the discussion and if possible video tape every things, including the situation, the meeting, and the discussion.

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