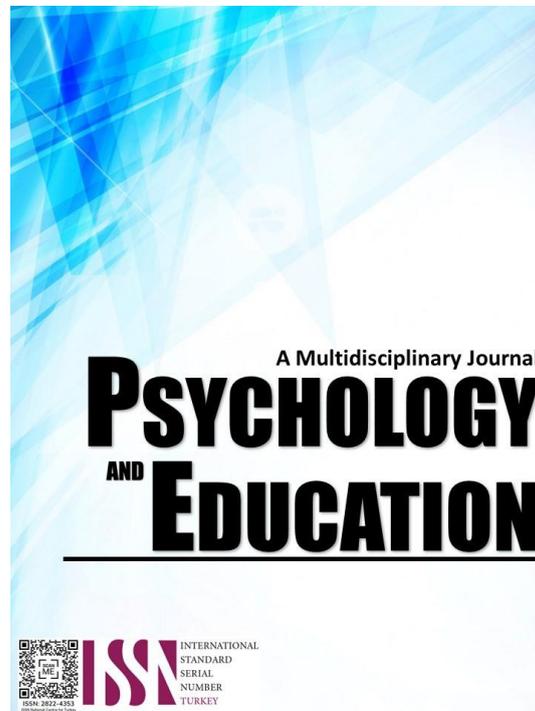


ENTREPRENEURIAL ENGAGEMENT OF THE TERTIARY EDUCATION SUBSIDY (TES) GRANTEES IN CENTRAL PHILIPPINES STATE UNIVERSITY



PSYCHOLOGY AND EDUCATION: A MULTIDISCIPLINARY JOURNAL

2022

Volume: 6

Pages: 423 - 429

Document ID: 2022PEMJ446

DOI: 10.5281/zenodo.7485130

Manuscript Accepted: 2022-25-12



Entrepreneurial Engagement of the Tertiary Education Subsidy (TES) Grantees in Central Philippines State University

Lycel L. Pacheco*, Cristyflor M. Escordial, Aladino C. Moraca

For affiliations and correspondence, see the last page.

Abstract

This is a descriptive study using a quantitative approach which main objective aimed to assess and determine the entrepreneurial engagement of the grantees of the tertiary education subsidy (TES) in Central Philippines State University. This study specifically determined the demographic profile of respondents as to sex, campus they are enrolled, course/program they are taking, year level, and family source of income, the entrepreneurial engagement of the grantees and their satisfaction of the program. The researchers used both qualitative and quantitative approach in order to connect with the participants and to better understand their entrepreneurial engagement as a challenge in wise spending of their subsidy. Results revealed that in terms of demographic profile, female grantees outnumbered the male, most of those who responded in the survey were coming from the main campus, Cauayan, Hinigaran, Victorias and San Carlos extension campuses, the highest percentage of respondents were taking Bachelor in Elementary Education program and in third year and the source of income of most of them is farming. The respondents who indulge in entrepreneurial engagement mostly opted business enterprise such as sari-sari store, buy and sell and loading business, farm investments such as prenda or arendo and backyard raising such as carabao and hog raising, swine and cow fattening, poultry raising and raising of other backyard animals that are easy to raise. The respondents expressed that they are very satisfied with the Tertiary Education Subsidy program which conforms with the Agenda 21 (2002). Thus, the objective of the TES program is met.

Keywords: *tertiary education, subsidy, grantees, entrepreneurial, engagement*

Introduction

The Unified Student Financial Assistance System for Tertiary Education or UniFAST is the government agency in charge of implementing the Universal Access to Quality Tertiary Education Act (RA 10931). The UniFAST was created in 2015 by virtue of RA 10687 as a system to unify existing government student financial assistance programs for Tertiary Education in the Philippines. It will ensure that deserving Filipinos are given equitable access to educational opportunities. One of these, the Tertiary Education Subsidy or TES.

Subsidy as a form of financial assistance plays an important role to augment financial incapacities of students enrolled in Higher Education Institutions or HEIs (Avery, 2014). Through RA 10931 which was passed into law on August 3, 2017, the citizens were allowed full access to quality education by providing adequate funding and increasing participation rate in the tertiary education. This further gives chances to the poor but deserving students to reach their goals and finish a degree. The Implementing Rules and Regulations (IRR) of this law recognizes the complementary roles of public and private Higher Education Institutions and Technical-Vocational Institutions in the tertiary education system, and the invaluable contribution of private tertiary institutions

to the education system. As been embedded in our Philippine Constitution, the quality education is an inalienable right of all Filipinos and it is the policy of the State to protect and promote the rights of students to quality education at all levels.

Entrepreneurship has been identified as the best solution to unemployment, underemployment and poverty among the youths, especially in instances where educated individuals cannot find jobs (Brownhilder, 2014). It is considered as a key driver of economic growth through increase in manpower contribution to output.

Aside from government efforts to encourage entrepreneurship in university students, the low-income status of the majority of the populace has the tendency to compel student's engagement in entrepreneurial activity as a form of income support. Thus, Central Philippines State University as member of the State Universities and Colleges and as an implementing agency for all UniFAST Programs including Tertiary Education Subsidy, needs to assess the grantees entrepreneurial engagement with the use of their subsidy to determine if it is being used wisely and productively so as to augment their financial needs. Furthermore, this study will also find out the different challenges the grantees are facing in managing their subsidy and how satisfies they are with the program. Hence, this study was conducted.



Research Objective

The main objective of this study is to assess the entrepreneurial engagement of the grantees of the tertiary education subsidy (TES) in Central Philippines State University. Specifically, this study determined the demographic profile of the respondents in terms of age, civil status, course and year level, and family's source of income, determined the entrepreneurial engagement of the Tertiary Education Subsidy Grantees in relation to their subsidy and how satisfied are the grantees on the financial assistance being given to them by the government through Tertiary Education Subsidy (TES).

Literature Review

The study of Peng et al. (2012), provides findings for entrepreneurial intention among university students in China with the use of the chi-square tests. It was showed that subjective norm, entrepreneurial attitude and entrepreneurial self-efficacy had positive influence on entrepreneurial intention while entrepreneurial resistance caused by lack of funds, time, family support, business skills and entrepreneurship education negatively affect students' entrepreneurial intention.

Entrepreneurial Engagement

In the study by Khuong and An (2016), it showed that prior entrepreneurial experience, external environment such as availability of loan and access to target markets as well as perceived feasibility, positively influenced students desire to engage in entrepreneurship in Vietnam. On the other hand, personal traits, the need for autonomy and achievement surprisingly deter interest in entrepreneurial engagement.

On the other hand, a related study of Nguyen (2017) provides findings for the determinants of entrepreneurial intention among international business students in Vietnam. With the use of an exploratory factor analysis and multiple regressions, it was showed that attitude towards entrepreneurship and perceived behavioural control are the TPB variables that had significant effect on students' interest in entrepreneurship. This suggests that subjective norm does not have any influence on the intention to be an entrepreneur.

Scholarship Impacts

Financial assistance and scholarship awards partook an

important role on the post-secondary opportunities and success of students. The relationships between financial aid awards, student college choice, and student engagement in college activities should be reasonably sound, Hu (2010). The findings reveal an interesting and important pattern in the relationships among scholarship awards, student college choice, and student engagement in college activities. Financial aid awards have a substantial influence on student college choice which meet student needs after expected family contribution. In the same manner, financial aid awards indirectly promote student engagement in college activities, academically and socially. The student scholarship support could enable students to be more actively engaged in academic and social and community activities in college, this mainly through indirect influence of the scholarship awards.

According to the study of Li (2014) on "Investigating the Impact of Financial Aid on Four-year College Enrolment among College-Qualified Students", grants, loans, and work-study, as well as the amount of financial aid are significantly positively associated with 4-year college enrolment for college-qualified students. The impact of grants, loans, and work-study indicates that increased availability of financial aid may remove financial barriers to access to four-year colleges for college qualified students. Therefore, institutional administrators and financial aid policy makers should ensure sufficient aid are maintained for these student aid programs, if improving the four-year college enrolment is the priority.

It was also found out in the same scope of the study that the self-sponsored students in Nigeria are more satisfied with their academic performance than those that get their money either from their parents or from a scholarship fund. It was also discovered adequacy of the money affects student's academic performance. Student's satisfaction on financial aid improved academic performance depends on source of finance (Nnamani et al., 2014).

Methodology

Research Design

This study employed the descriptive research design. Descriptive research method primarily aims to describe characteristics of a population or a phenomenon of interest. This type of research design was deemed appropriate to describe the entrepreneurial engagement of tertiary education subsidy (TES) grantees in Central Philippines State University main and extension campuses.

Respondents of the Study

The respondents of this study were the grantees of the tertiary education subsidy enrolled in Central Philippines State University for the School years 2018-2019, 2019-2020 and 2020-2021. This study used the Cochran sampling technique to determine the sample size of the respondents. In this technique, sample size was calculated through defining the population size, designating the margin of error, and determining the confidence level. From a total of 1600 TES grantees for the three academic periods, a 1.6% margin of error and 99% confidence level, the computed sample size was 1285. The respondents were chosen randomly from the list of TES grantees per year.

Data Collection Instruments

A self-made survey questionnaire was used to gather data need. The first part of the questionnaire elicits the demographic information of the TES grantees. The second part gathers information on the entrepreneurial engagement of the grantees such as engagement in business, farming, and backyard raising among others. The last part inquires their level of satisfaction on the tertiary education subsidy program by the government.

Data Collection Procedure

The list of TES grantees was taken from the CPSU Scholarship office then sample respondents were identified and the survey instrument was administered personally or through email to the respondents. Interviews and discussions were conducted to selected respondents to gather additional information in relation to the determination of their entrepreneurial engagement and satisfaction on the program. All information gathered were properly recorded, tallied, encoded, computed and interpreted.

Results and Discussion

Results of the entrepreneurial engagement of tertiary education subsidy grantees are presented in graphs.

Respondents Demographic Profile

The frequency and percentage distribution on the respondent’s demographic profile in terms of their sex, campus enrolled in, course/program taken, year level and family’s source of income are shown in the figures that follows:

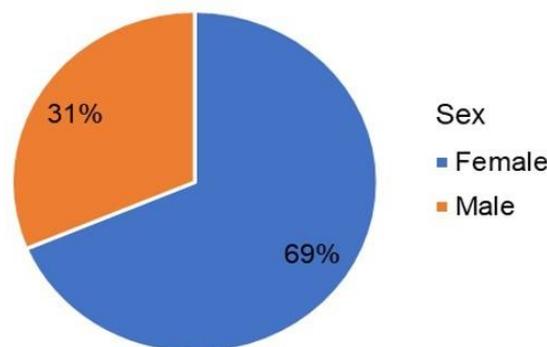


Figure 1. Frequency distribution of the respondents according to sex

Figure 1 shows the frequency distribution of the respondents according to their sex wherein out of the 1,285 grantees who responded, 69% (882) of them were females and 31% (403) were males. This implies that females outnumbered the males which is contrary to the National Statistics Office census of 2015 that male outnumbered the female.

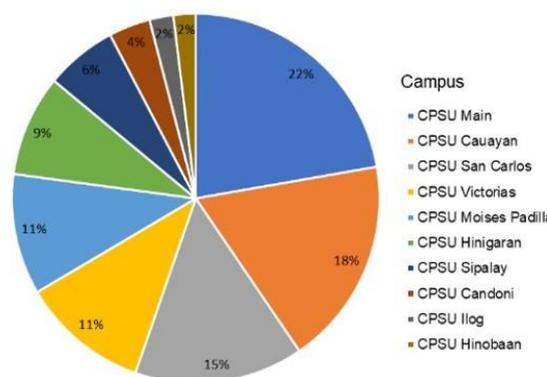


Figure 2. Frequency distribution of the respondent according to campus enrolled

Figure 2 shows the frequency distribution of the respondents according to the campus they were enrolled and graduated. Per result, the main campus has the greatest number of grantees who responded to the survey which is 22% or 286 of the 1,285. On the other hand, Hinoba-an, Ilog, and Candoni campuses has the least percentage of participants with 2%, 2%, and 4% respectively.

This implies that the five mentioned campuses have a greater number of grantees and this is in conformity to the master list of grantees released by the UniFAST to the university scholarship office. Notice that the said campuses are the ones which has also more enrollees. Meaning, the more you have enrollees, the more that many of your students will have the opportunity to be qualified in the screening of grantees by the UniFAST.

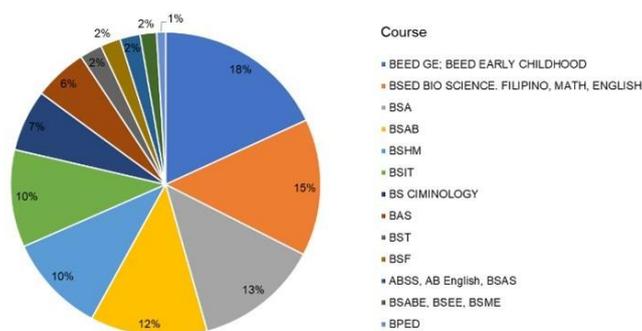


Figure 3. Frequency distribution of the respondents according to courses taken

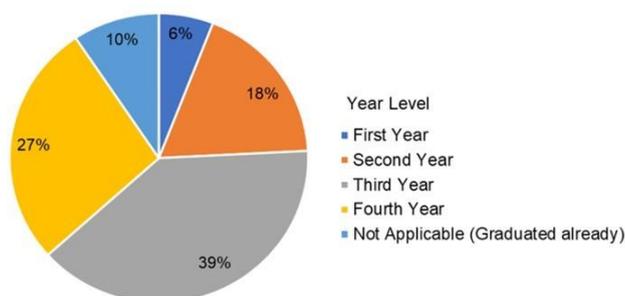


Figure 4. Frequency distribution of the respondents according to year level

Figure 3 on the other hand shows the frequency distribution of respondents according to course or program taken. Per result, the program which has the highest number of grantees (18% or 232) is the Bachelor in Elementary Education (BEED) and the program with the lowest number of grantees (1% or 12) is the Bachelor of Physical Education (BPED). This implies that most of the grantees who responded are soon to be teachers in the elementary level.

While figure 4 reflects the frequency distribution of the respondents as to the year level. Note that most number of the grantees of the tertiary education

subsidy are third year, and the least number of grantees is first year. Since the basis of the qualification is the Listahanan 2.0 and only the UniFAST can determine the qualified grantees, then it is safe to say that during the time of screening most of those who qualified are in third year. Notice further, that Listahanan 2.0 is a databank of the poor families from the Department of Social Welfare and Development (DSWD).

Moreover, the reason why there is only few from the first year who qualified as grantees is that, the number of slots per semester per year is pre-identified based on the budget for the program given by the Department of Budget and Management (DBM). This connotes that the determination of grantees for the succeeding semester or school year depends on the number of slots vacated either through graduation or dropping out from school. This is determined through the report from the office of the registrar submitted in compliance to what is demanded by the Commission on Higher Education.

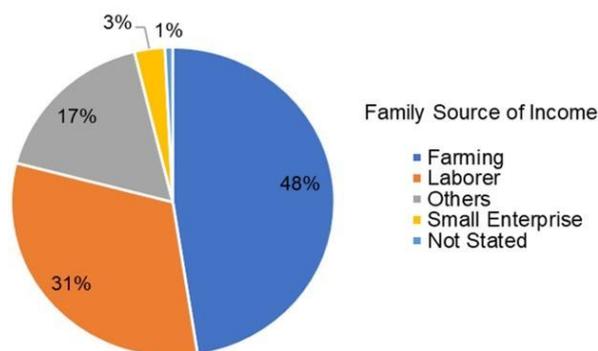


Figure 5. Frequency distribution of the respondents according to income

Also, the result in Figure 5 shows the frequency distribution of the respondents as to source of family income. It reflects that 48% or 611 of the respondents' source of family income is farming which simply implies that almost half of the grantees are sons/daughters of farmers.

This provided information that with the 32% or 405 of the respondents' source of family income regarded to as Laborer, it refers to farm laborer, construction laborer, household helper and the like. While when it says that the source of income is small enterprise, this refers to vendors, buy and sell, sari-sari store and others engaging in small enterprise. On the other hand, other source of income is referring to fishing, employed parents and other source of income not



considered to belong to those mentioned above including housewives and drivers.

This implies that per family source of income, it tells that the grantees really came from the poor families in the society and thus, deserving to receive the financial assistance from the government through the tertiary education subsidy (TES). In this case, upon receiving P20,000.00 per semester, it is expected that the money shall be spend on the needs of the grantees in their studies to ensure that they will finish their education and later on help their parents to have a better life. Thus, with this program there will be no reason especially in terms of poverty, that every family shall have a graduate who is expected to be employed or get a job and in turn take charge with the studies of other siblings in the family.

Entrepreneurial Engagement of the Tertiary Education Subsidy (TES) Grantees

Figures on the Tables 1, 2 & 3 in the results reveal the entrepreneurial engagement of the grantees in terms of the use of their subsidy.

Table 1. Frequency distribution of the respondent's engagement in business enterprise (n = 1285)

	Frequency	Percentage
Sari-sari store	331	25.8
Buy and sell	146	11.4
Loading business	101	7.9
Rice retail	56	4.4
Online business	9	0.7

For those who engage in business enterprise, the table above reflects the kind of enterprise the respondents' choses. It shows that 26% of the grantees opted to invest their subsidy into business enterprises by putting up a sari-sari store. On the other hand, 11% of the grantees opting business enterprise used the money for buy and sell while the 8% invested in loading business. This implies that the respondents have the entrepreneurial mind and are interested in engaging into small business which they believe is needed in their specific area. Considering sari-sari store, buy and sell and loading business as the easiest endeavour to engage in. These kind of investments are very common to rural areas which most of the respondents came from. Having observed the kind of life in the place they grow up with, it is good that it instilled in them such disposition that whatever money they will

receive should be invested to something that would give them income first so it will not just come and go out from their hands and earn nothing.

In an interview conducted, one expressed how thankful she is for the subsidy for it does not only help his study but also her family, as I quote *“grabe gid ya mam ang akon pasalamat nga may TES ko kay nakapatindog kami sari-sari store. May income na kami kada adlaw kag ma rolling namon ang akon subsidy para indi sia madula lang dayon.”*

Table 2. Frequency distribution of the respondent's engagement in farming (n = 1285)

	Frequency	Percentage
Spent for fertilizer, pesticide, etc	282	21.9
Spent for land preparation, etc	241	18.8
Spent for arendo payment	73	5.7
Spent for prenda payment	53	4.1

It was also reflected that the subsidy was spent in farming for the purchase of fertilizer and pesticide and land preparation. Some of them engaged in “arendo” where they pay for rent of the specific farm area in an agreed period of time and accepting “prenda”, another scheme of farming. This implies that, the respondents being most of them sons/daughters of farmers would likely to engage also in farming business. In this regard, the subsidy which is intended for their school needs is being invested first into something that is earning to help sustain the basic needs of the family. This kind of managing their subsidy is being commended by the Commission on Higher Education knowing that the grantees are mostly wise enough in spending the financial assistance given by the government.

In a focus group discussion conducted, there was a commendable sharing from one of the respondents telling how their family has engaged into “arendo” and “prenda” scheme which greatly augment their source of income. It says, *“gingamit namon ang kwarta parae arendo sang duta sa amon silingan mam. Para pagtapas makakwarta kami daku-daku kay mahal subong ang kalamay. Dayun may ara man nagaprenda sang ila uma kag parte sang kwarta gingamit man namon sa pagbaton sang prenda. Daku-daku gid ni nga bulig sa amon pangabuhian mam. Pasalamat gid kami sa TES.”*



Table 3. Frequency distribution of the respondent’s engagement in backyard raising (n = 1285)

	Frequency	Percent
Hog raising (fattening)	178	13.9
Carabao raising	166	12.9
Poultry	148	11.5
Swine breeding	105	8.2
Cattle breeding	22	1.7
Goat raising/fattening	20	1.6
Cattle fattening	13	1.0
Horse raising	7	0.5
Cow Raising	3	0.2

Results also shows the kind of backyard animals raised by the respondents who opted to spend a portion of their subsidy in backyard raising. Result tells that the most number of respondents engage in hog raising (fattening). Most of families indulge in this kind since after a period of time, the animals can already be sold in live weight. Moreover, respondents chose carabao raising considering that this animal is the best friend of farmers and knowing further that most of the family’s source of income is farming. Buying carabao for their own farm meant that the family will no longer spend money for renting carabao in land preparation. Thus, they can save the money later for the pesticide or fertilizer. Also, some of the respondents engaged in poultry which is another common backyard raising in the country. Poultry commonly helps family augment their income through the different poultry products such as meat, egg, etc. On the other hand, others engaged in swine breeding wherein if the swine produces piglets it could be a source of income for the family.

Engaging of the grantees in backyard raising implies that they have entrepreneurial minds and skills that later on could be their avenue for big business enterprise if they don’t feel like employing. This is a good source also of additional income for the family even if they got employed in the future. Through this, the needs of the family can be sustained.

This is affirmed by the interviews conducted wherein respondents shared their experiences in dealing with the subsidy they received. One of them burst out that they were just renting for a carabao in preparing their lands but with the help of TES they were able to buy their own carabao for land preparation and does not

need to rent anymore. He exclaimed “*sus mam! Sang una ga renta pa kami carabao ya, para lang ma arado ang uma. Tungod sa TES nakabakal kami kaugalingon nga Carabao para sa uma. Daku gid kaayo nga bulig mam kay may carabao na kami, maka save pa kami sa rental.*”

The result is in conformity of the Agenda 21 (2002) which emphasizes the need to act on combatting poverty by enabling the poor to achieve sustainable livelihood. Thus, the objective of the program – the tertiary education subsidy (TES) is met.

Level of Satisfaction of the Tertiary Education Subsidy (TES) Grantees

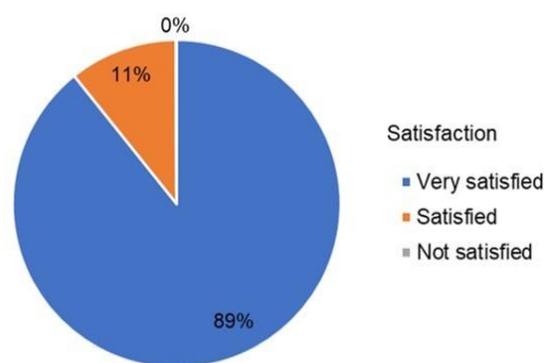


Figure 6. Frequency distribution of the respondent’s satisfaction on the program

This result obviously shows what is expected. That is, respondents are very satisfied with the program – the Tertiary Education Subsidy (TES). Eleven percent of them expressed that they are satisfied while none of them expressed non-satisfaction, which could be absurd if there is. This is just one of the programs under the UniFAST, wherein this is on top of the free higher education (TES 1) in which all students upon enrolment will no longer pay for their tuition and other school fees. To ensure that the students enrolled in State Universities and Colleges (SUCs) and Local Universities and Colleges (LUCs) and/or selected Private Higher Education Institutions (HEI’s), the Commission on Higher Education through the UniFAST designed this TES 2 or the tertiary education subsidy to augment the financial needs of the students in other school requirements and other school expenses.



Conclusion

In conclusion, the researcher identified different entrepreneurial engagement opted by the respondents in spending their tertiary education subsidy. First is business enterprise. The respondents found it to be best investment where their money will not be spent in just one shot. Through sari-sari store, buy and sell, loading business and the like, they made sure that their money is invested to a project. Second, farming. The respondents being most of them are sons/daughters of farmers also decided to spend their subsidy in buying fertilizers and pesticides or spending in land preparation which greatly help the family in sustaining the expenses in the farm. Third, backyard raising. This is common to Filipino families which is considered to augment the financial needs of the family. The reason why the respondents engaged in this kind of farming or business. Thus, it is concluded that most respondents indulged in entrepreneurial engagement in managing the subsidy they received from the government. Lastly, the respondents who are grantees of tertiary education subsidy (TES) program are very satisfied with the benefits the program offered to them and their family.

References

- Castellano, S., Maalaoui, A., Safraou, I., & Reymond, E. (2014). Linking intuition and entrepreneurial intention: a comparative study among French and US student entrepreneurs. *International Journal of Entrepreneurship & Innovation Management*, 18(1), 23–44. doi:10.1504/IJEIM.2014.062787.
- Hu, M. (2010). SMES and Economic Growth: Entrepreneurship of Employment. ICIC International ©2010 ISSN 1881-803X. Volume 4, Number 6(A), December 2010.
- Khuong, M.N. & An, N.H. (2016). The Factors Affecting Entrepreneurial Intention of the Students of Vietnam National University—A Mediation Analysis of Perception toward Entrepreneurship. *Journal of Economics, Business and Management*, 4, 104-111.
- Li, S. (2014). Investigating the Impact of Financial Aid on Four-year

College Enrollment among College-Qualified Students" (2014). Seton Hall University Dissertations and Theses (ETDs). 2008. <https://scholarship.shu.edu/dissertations/2008>

Lin, C. H. (2016). Examining the Effects of Financial Aid on Student Persistence in Taiwanese Higher Education. *International Education Studies*, 9(8), 36-50

Nnamani, et al., (2014). Impact of Students' Financial Strength on their Academic Performance: Kaduna Polytechnic Experience. *African Research Review*. Volume 8. No 1 DOI:10.4314/afrrrev.v8i1.7

Nguyen, C. (2017). Entrepreneurial Intention of International Business Students in Vietnam. *Journal of Innovation and Entrepreneurship*. Article 7 (2017).

Purigay, G. (2020). Assessment on the Implementation of Unified Student Financial Assistance System for Tertiary Education (UniFAST): Basis for a Proposed Action. *Journal of Business and Management Studies (JBMS)*. Volume 2, Issue No. 3. November 2020

Republic Act 10931. Universal Access to Quality Tertiary Education Act. August 3, 2017. Philippine Law. Republic of the Philippines

Republic Act 10687. Unified Student Financial Assistance System for Tertiary Education or UniFAST. IRR. An Act Providing For A Comprehensive And Unified Student Financial Assistance System For Tertiary Education (Unifast), Thereby Rationalizing Access Thereto, Appropriating Funds Therefor And For Other Purposes

Sustainable Development Goal (SDG) Agenda 21. Chapter 3: Combatting Poverty

Affiliations and Corresponding Information

Lycel L. Pacheco, PhD

Central Philippines State University - Philippines

Cristyflor M. Escordial

Central Philippines State University - Philippines

Aladino C. Moraca, PhD

Central Philippines State University - Philippines