

A STUDY ON RETURN ON INVESTMENT(ROI) OF FOREIGN EDUCATION IN PATHANAMTHITTA DISTRICT

Dr Roni Jain Raju, Assistant Professor, St Thomas College Ranny, Pathnaamthitta, Kerala,India

Tel no; 9447207273, e-mail Id - ronijainraju@gmail.com

Orcid – 0009-0007-8984-7038

Abstract

With globalization, more students are choosing to study at foreign universities because they want to use world-class resources, experience different cultures, and build global connections. In today's connected world, students and their families often see studying abroad as a smart investment, expecting better pay, more job chances, and greater social mobility. However, going to a foreign country for studies requires a lot of money, including fees, daily living costs, and the chance cost of not working or studying locally. This research paper looks at the costs of studying abroad, like tuition, living expenses, and other charges, and also explores how students' careers develop after studying abroad, including how quickly they get jobs, their starting salaries, and how their careers grow. Both primary and secondary data were collected. For primary data, 85 people were chosen through convenience sampling. The results show that students who study abroad have better career growth, with more job options and higher salaries than students who study locally. Even though there are big financial costs, 96. 5% of the people surveyed thought studying abroad was a good investment. Although there are challenges like expensive fees, time searching for jobs, and adjusting to a new culture, the long-term money and career benefits are greater than the initial costs. Studying abroad offers more global experience, better networking, and faster career growth, making it a good choice for students from Pathanamthitta.

Keywords: *Foreign Education, Educational Migration, Cost-Benefit Analysis, Graduate Employability*

1.1 Introduction

In today's world where everything is connected, higher education is seen as an important investment for people who want better job chances and personal growth. For students from places like Pathanamthitta, a district in Kerala, studying abroad can provide access to good academic programs, exposure to different cultures, and the chance to build a career on a global scale. However, the cost of studying overseas is quite high, so it's important to understand how much value you get from it, both in terms of money and career growth. Knowing the return on investment (ROI) of studying abroad helps students and their families make smart choices by looking at how much they spend versus what they gain, and it also helps reduce the risk of spending too much on programs that may not offer good career results. This is especially important for students from Pathanamthitta, where there may be fewer financial resources compared to big cities, helping them stay financially stable and succeed in the long run.

This research paper also helps policymakers and educational institutions by showing how they can create better scholarship and support programs to make studying abroad more available to students who really need it. ROI of foreign education helps students and families to plan better, manage money, and make smart choices. It also encourages a sense of responsibility towards global issues and supports important goals like providing quality education (SDG 4) and creating good jobs and economic growth (SDG 8).

1.3 Statement of the Problem

The issue that this study aims to explore is the lack of a thorough examination of the Return on Investment (ROI) when students pursue higher education abroad. Many students from this region often encounter financial and career-related challenges while considering studying overseas. Although studying abroad is generally seen as a way to open doors to better job opportunities, higher earning potential, and international exposure, the results of this investment can be quite different depending on several factors. These include the specific institution they choose, the field of study they pursue, and the state of the global job market at the time they graduate. A significant number of students and their families invest a large amount of money in their education overseas without a clear understanding of how this investment will pay off in the long term, both financially and professionally. This lack of clarity can lead to financial difficulties and unmet expectations in terms of career advancement.

In addition to this, there is not much research that focuses on how the outcomes of studying abroad specifically affect students from smaller regions like Pathanamthitta. These areas have different economic and social conditions compared to larger, more urban regions, which can influence the overall impact of studying abroad. This study is designed to fill this gap by analyzing the financial and career returns that students from Pathanamthitta experience after studying overseas. The goal is to provide clear insights that can help students and their families make more informed decisions. It also aims to support better financial planning and career development. Moreover, the study hopes to assist educational institutions and policymakers in creating programs that can maximize the advantages of studying abroad, while also minimizing the risks involved. This can ensure that students and the wider community benefit more from the opportunities that come with international education.

1.3 Objectives of the Study

- To examine the costs involved in studying abroad, including tuition, living expenses, and other fees for students from Pathanamthitta District.
- To understand the career outcomes of students who studied abroad, including job placement time, starting salary, and career growth.
- To evaluate how studying abroad affects students' career opportunities, salary, and overall financial benefits.

1.4 Research Methodology

The area of study for this research is the Pathanamthitta District in Kerala, India. Pathanamthitta was specifically chosen due to the noticeable trend of students from this

region pursuing higher education abroad. The study seeks to understand the unique challenges and opportunities faced by students from this district. By focusing on a specific geographical area, the research provides localized insights, which may serve as a valuable resource for stakeholders such as educators, policymakers, and families in Pathanamthitta.

1.5 Source of Data

➤ **Primary Data**

Primary data for this study was collected through a survey conducted in Pathanamthitta district using a structured questionnaire designed via Google Forms. The sampling technique used is convenience sampling.

Secondary Data

For this study, secondary data was gathered from several trustworthy online sources, such as government publications, scholarly research papers, and well-regarded educational and financial websites. A major part of this secondary data comes from the Kerala Migration Survey Report 2023. This report is particularly important as it offers detailed information on migration patterns, the educational decisions made by students, and their career paths after studying abroad. By using this data, we can better understand how studying overseas affects the financial and professional lives of students from Pathanamthitta. This provides a solid and dependable base for conducting further analysis and drawing meaningful conclusions.

Sample Size

The population for this research includes all students from the Pathanamthitta region who have studied or are currently studying abroad. From this population, a total of 85 respondents were selected as the sample size for the study. The sampling technique used is convenience sampling.

1.7 Literature Review

The human capital hypothesis, which sees educational attainment as a way to increase individual productivity and earning potential, has long supported the idea that education is an investment (Becker, 1993). Because of its sophisticated curricula, access to worldwide job markets, and global exposure, overseas education is sometimes positioned as a premium investment with the expectation of higher economic returns. According to Maringe and Carter (2007), students view studying abroad as a long-term economic strategy that is impacted by the possibility of international work prospects, rather than just as a means of advancing their academic careers.

In the Indian context, Kumar and Sharma (2021) looked into the return on investment (ROI) of studying abroad for Indian students. They found that although living expenses and tuition are much higher overseas, students who complete business and STEM programs typically land better-paying jobs both domestically and overseas. However, the host nation, visa regulations, and job market absorption all had an impact on the returns. These results are particularly pertinent to Kerala, where studying abroad is frequently viewed as a means of migration rather than just an academic endeavor.

"Districts like Pathanamthitta have a strong culture of migration, where foreign education serves as a method to settle overseas or find job in Gulf nations," Zachariah and Rajan (2012) noted. The distinction between academic ROI and migration strategy is sometimes blurred because families frequently invest in education with remittances in mind. A multifaceted

concept of ROI that takes into account both concrete (financial) and intangible (social and migratory) consequences is required due to this socioeconomic context.

Some academics contend that the ROI of studying abroad must take into consideration social, cultural, and psychological factors in addition to financial ones. International graduates frequently report greater levels of social mobility, intercultural competences, and personal growth, all of which are crucial for professional advancement even in local markets, according to Schomburg and Teichler (2006). In close-knit communities like those in Pathanamthitta, where social standing and cultural capital are highly prized, these intangible advantages are especially important.

However, it is impossible to overlook the financial strain that Indian families bear. According to Gandhi and Patel (2019), many middle-class households, hoping for quick financial gains, opt to high-interest loans or sell off family assets to pay for overseas schooling. Long-term debt repayment and financial strain are the outcomes when students are unable to find well-paying jobs. According to Altbach (2013), who observed the growing tendency of overqualification and skill underutilization among overseas graduates, these difficulties are made worse when returnees experience underemployment or a mismatch between skills and local work demands.

Furthermore, how ROI is perceived locally has a significant impact on how investments are made. Thomas and Mathew (2020) noted in a qualitative study that when assessing the success of foreign education in Kerala, social status, peer comparisons, and community acknowledgment frequently have equal weight to monetary rewards. As a result, families and communities may find the symbolic capital gained from a foreign degree to be a desirable result, even if the financial return is modest.

All things considered, research shows that the return on investment (ROI) of studying abroad is a complex concept impacted by social perceptions, psychological development, migratory goals, and economic rewards. However, empirical research on regional dynamics is noticeably lacking, particularly in areas like Pathanamthitta. Therefore, the purpose of this study is to close this gap by assessing the return on investment (ROI) of international education from a local viewpoint and combining economic metrics with social and cultural factors that influence district investments in education.

1.8 Results and Discussions.

Table 1.1

Total Remittances to Kerala, 2000-2023

	Non-Resident Indian Deposits			Rs (Crores)	
Year	India	Kerala	Ratio		
	Crores Rs	Crores Rs	Kerala/ India	Remittance to India	Remittance to Kerala
2000-2001	94544	18724	0.1980	58855	11712
2001-2002	107686	21431	0.1990	68071	13601
2002-2003	122772	24534	0.1998	76155	16053
2003-2004	136088	28696	0.2109	96494	19299
2004-2005	150444	30100	0.2001	84247	17001
2005-2006	144282	29121	0.2018	97955	18562
2006-2007	161834	30671	0.1895	128310	23763
2007-2008	179788	33304	0.1852	149403	25578
2008-2009	174623	29889	0.1712	229479	40411
2009-2010	210118	37019	0.1762	234560	38093
2010-2011	227078	36886	0.1624	246274	40217
2011-2012	230812	37690	0.1633	301967	48798
2012-2013	299840	48454	0.1616	396600	64090
2013-2014	385202	66190	0.1718	412360	70857

Source: India: Handbook of Statistics on the Indian Economy, RBI, 2023-24 Non-Resident Deposits; State Level Banker's Committee, 2023 (RBI survey of inward remittances for 2023 2024)

Table 1. 1 shows the important role that emigrants have played in contributing to remittances and Non-Resident Indian (NRI) deposits in Kerala's economy and society between the years 2000 and 2024. As one would expect, both the amount of NRI deposits and the volume of remittances have been steadily increasing each year. There were two major jumps in the amount of money sent back to Kerala as remittances. The first big increase happened in 2018-2019, which was due to the devastating floods that hit Kerala in 2018. The second major spike occurred in 2022-2023, which came after the effects of the COVID-19

pandemic started to ease. Looking at the figures, remittances to Kerala rose from ₹85,092 crores in 2017-2018 to ₹114,506 crores in 2018-2019. This was largely because of the floods and the need for more financial support from emigrants. Similarly, remittance amounts shot up again from ₹144,640 crores in 2021-2022 to ₹190,734 crores in 2022-2023. According to the KMS 2023 estimates, the remittances received by Kerala in 2023 were approximately ₹2,16,893 crores.

The major rise in remittances during 2018-2019 can be linked to the floods, which caused emigrants to send more money than usual to help with rebuilding and recovery efforts. On the other hand, the big increase in 2022-2023 is likely due to the post-pandemic economic recovery and the gradual increase in the number of people migrating from Kerala. There are also other factors that might have contributed to this spike. For instance, some migrants might have decided to liquidate their savings and return to Kerala during or after the pandemic. Also, the shift towards more formal methods of sending money, due to uncertainty in informal channels, and some policy changes, such as allowing banks to compete freely on interest rates and removing limits on NRI deposits, could have encouraged more remittances to flow into Kerala. Overall, Kerala's share of NRI deposits and remittances in India's total has remained fairly consistent over the years, with only minor changes. However, there was a noticeable decline between 2008 and 2016, when Kerala's share fell below 20 percent. Despite this, the state's contribution to the national income through remittances has been quite large. Since remittances make up 3.3 percent of India's GDP, it clearly shows that Kerala plays a very important role in the country's overall economic development through the money sent back by its emigrants.

Table 1.2
Household Remittances by Districts, 2023

Districts	HH Remittances in Crores
Thiruvananthapuram	3933
Kollam	6583
Pathanamthitta	1600
Alappuzha	2083
Kottayam	1928
Idukki	260
Ernakulam	3042

Thrissur	3357
Palakkad	1127
Malappuram	6015
Kozhikode	3033
Wayanad	1087
Kannur	2401
Kasaragod	610
Total	37058

Source: India: Handbook of Statistics on the Indian Economy, RBI, 2023-24 Non-Resident

A comparison of remittances in Kerala's different districts in 2018 and 2023 is shown in Table 1.2. Remittances to Kerala totaled ₹216,893 crores in 2023, a substantial rise from ₹85,092 crores in 2018. The largest part went to Kollam, which received ₹38,530 crores (17.8 % of the total) in 2023, up from ₹12,748 crores (15.0%) in 2018, while remittances per home increased from ₹173,816 to ₹490,091. Additionally, remittances to Thiruvananthapuram increased significantly, both overall (from ₹8,045 crores to ₹23,016 crores) and per household (from ₹89,263 to ₹241,870).

Migration Estimates by Districts and Taluks in Kerala, 2023

Migration has been a defining characteristic of Kerala's socio-economic landscape, influencing its labor market, demographic trends, and remittance-driven economy. The following table presents estimated migration patterns across different districts and taluks in Kerala for the year 2023. It categorizes migration into four key groups: **Returning Emigrants (REM)**—those who have returned from abroad, **Emigrants (EMI)**—individuals who have migrated internationally, **Returning Out-Migrants (ROM)**—residents who have returned after moving to other states in India, and **Out-Migrants (OMI)**—those who have relocated to other Indian states for work or other reasons. These estimates provide insights into migration trends that shape Kerala's economy, workforce distribution, and regional development.

Table 1.13

Migration Estimates by Districts and Taluks in Kerala, 2023

	REM	EMI	ROM	OMI
Chirayinkeezhu	66781	43112	4043	2611
Nedumangad	33370	10585	2334	4749
Thiruvananthapuram	48042	29478	639	1533
Neyyattinkara	37502	24741	6566	6055
Thiruvananthapuram	185695	107917	13582	14948
Karunagappally	35022	32540	8527	12272
Kunnathur	12055	16583	5132	5783
Pathanapuram	19890	46447	3686	5826
Kottarakkara	37903	56979	10808	14488
Kollam	53610	43266	8416	9961
Kollam	158481	195815	36569	48330
Thiruvalla	11801	17698	6300	5257
Mallappally	6249	9706	1541	3251
Ranni	5804	17412	0	1451
Kozhencherry	10374	29287	4909	5584
Adoor	6693	27521	1012	9003
Pathanamthitta	40921	101624	13762	24546
Cherthala	13094	13118	10031	12617
Ambalappuzha	14029	24679	12558	6098
Kuttanad	7487	12364	1138	5796
Karthikappally	16217	33630	6638	5539
Chengannur	14962	12698	2370	3952
Mavelikkara	33705	37628	10198	8299
Alappuzha	99494	134116	42932	42301
Meenachil	14245	37065	6646	6694
Vaikom	11116	32193	7333	9033
Kottayam	28809	39964	17606	18061
Changanassery	12972	17667	2972	6737

Kanjirappally	7135	16935	2704	3559
Kottayam	74277	143824	37261	44084
Devikulam	0	860	0	1146
Udumbanchola	4268	13392	905	4520
Thodupuzha	8608	7875	2974	3096
Peerumedu	596	3177	596	1788
Idukki	13472	25304	4475	10550
Kunnathunad	18527	25176	4311	9649
Aluva	15447	27793	3198	4157
Paravur	13119	18023	7628	2101
Kochi	37019	30088	2599	5868
Kanayannur	50856	53572	32249	27523
Muvattupuzha	14118	18052	2210	1958
Kothamangalam	2763	14252	2499	2499
Ernakulam	151849	186956	54695	53756
Talappilly	43251	49767	17669	4739
Chavakkad	47007	54164	4992	7424
Thrissur	47810	35254	28376	15041
Kodungallur	40830	31440	3361	2475
Mukundapuram	60541	62552	12627	10193
Thrissur	239439	233177	67026	39874
Ottappalam	42791	73286	9312	18544
Mannarkad	12961	10250	1238	4102
Palakkad	17112	20314	14544	21943
Chittur	5230	7474	0	6611
Alathur	14595	12953	0	4401
Palakkad	92689	124277	25094	55601
Ernad	52589	57359	828	2210
Nilambur	63696	42470	2231	744

Perinthalmanna	22964	48747	0	2302
Tirur	70058	109133	11873	8418
Tirurangadi	122933	80379	0	0
Ponnani	18936	39559	601	2626
Malappuram	351176	377647	15533	16300
Vadakara	64949	69148	4082	12094
Quilandy	64830	59882	7412	9844
Kozhikode	80509	64667	7551	22557
Kozhikode	210288	193697	19045	44496
Mananthavady	6657	9288	2445	4084
Sulthan Bathery	8060	15966	1408	8515
Vythiri	1792	7087	2567	6578
Wayanad	16509	32341	6420	19178
Taliparamba	27232	60164	5287	9746
Kannur	25248	58717	5425	9932
Thalassery	53927	93326	8395	23866
Kannur	106408	212208	19107	43544
Kasaragod	22243	47492	1217	6161
Hosdurg	27819	37881	571	8757
Kasaragod	50062	85372	1788	14918
Kerala	1790758	2154275	357289	472426

Source: Kerala Migration Survey Report 2023

The findings presented in this section are derived from primary data collected from individuals in Pathanamthitta District, Kerala, who have pursued or are currently pursuing foreign education. The selection of Pathanamthitta as the study area was deliberate, considering the increasing trend of students from this district seeking higher education abroad. Through systematic data collection and analysis, this study aims to uncover the return on investment (ROI) associated with foreign education, including financial outcomes, career prospects, and personal development.

Demographics

- Out of 85 respondents, 52.9% were male and 47.1% were female.
- The majority of respondents were aged between 18–22 years, making up 48.2% of the sample.
- About 38.8% of respondents were in the 23–27 age bracket.
- Around 12.9% of the students were in the 28–32 age group.
- There were negligible responses from students aged 33 years and above, indicating that most students studying abroad are undergraduates or early postgraduates.

Field of Study

- Business/Commerce and Medicine were the most chosen fields, each accounting for 36.5% of respondents.
- Engineering was the next popular choice, with 15.3% of students pursuing it.
- Other fields such as IT, Arts/Design, Food Safety, Culinary Management, Social Services, Veterinary Medicine, and Computer Science had smaller representation.

Study Abroad Destinations

- Germany and Canada were the most preferred destinations, each chosen by 22.35% of respondents.
- North America, including the USA and Canada, emerged as the most popular study region overall.
- The UK was the third most popular destination, attracting 16.5% of students.
- Australia was ranked fourth, with 8.2% of students opting to study there.
- Other destinations included Ireland (14.1%), Georgia (5.9%), Moldova (2.4%), Sweden (2.4%), Armenia (2.3%), and France (3.5%).

Cost of Studying Abroad

- About 42.35% of respondents spent more than ₹20 lakh on their education abroad.
- Around 23.53% of students incurred costs between ₹10 lakh - ₹20 lakh.
- Nearly 9.41% spent between ₹5 lakh - ₹10 lakh.
- Approximately 24.71% of students managed their education with less than ₹5 lakh.

Methods of Financing Education

- Family support was the most common funding source, used by 28.24% of students.
- Around 27.06% of students financed their education through part-time jobs.
- Education loans were taken by 25.88% of respondents.
- Scholarships were a financial source for only 3.53% of students.
- Other students relied on personal savings, stipends, or a combination of multiple sources.

Employment Outcomes

- About 26.83% of graduates secured a job within three months of completing their studies.
- Around 24.39% of students took three to six months to find employment.
- Nearly 21.95% found jobs between six to twelve months after graduation.
- Around 13.41% of students took more than a year to secure a job.
- Another 13.41% of respondents were still seeking employment at the time of the study.

Starting Salary After Graduation

- Around 56.00% of students earned less than ₹5 lakh per year.
- Approximately 26.67% of students reported a salary between ₹5 lakh - ₹10 lakh per year.
- About 10.67% of respondents earned between ₹10 lakh - ₹20 lakh per year.
- Nearly 6.67% of students secured a salary above ₹20 lakh per year.

Career Growth & ROI Perception

- A significant 81.18% of students reported experiencing career growth after studying abroad.
- Around 96.47% believed that the financial investment in foreign education was worthwhile.
- Nearly 90.59% felt that studying abroad provided them with better career opportunities compared to local graduates.
- A vast majority of 92.94% would recommend foreign education to future students from Pathanamthitta.

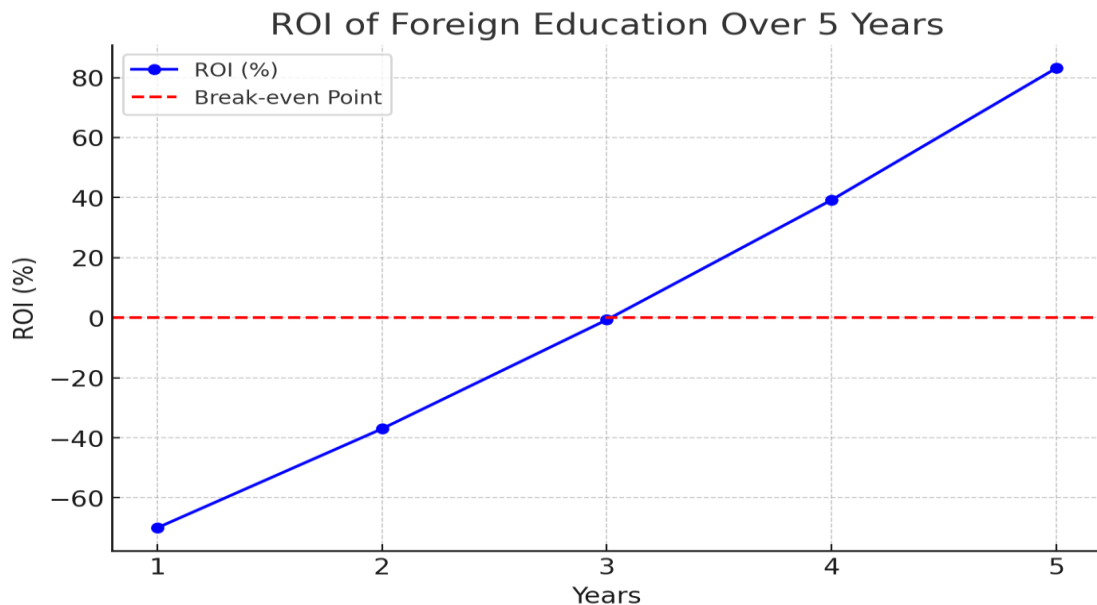
Time to Recover Education Cost (ROI Analysis)

- Around 18.52% of students expected to recover their educational expenses within one year.
- About 39.51% anticipated breaking even within one to two years.
- Nearly 32.10% expected to recover costs within three to five years.
- A small percentage, 9.88%, believed it would take more than five years to recover their investment.

Return on Investment (ROI) Calculation

- By the end of 5 years, the ROI turns positive (68.15%), indicating that the investment in foreign education has generated a significant return.

Figure 4.4



1.8 Conclusion and Suggestion

The study emphasizes that foreign education includes significant initial investments, but most students receive the cost within 3-5 years. Results show that students record career growth with better employment opportunities and higher pay compared to local alumni. Despite the financial burden, 96.5% of respondents said they would study valuable investments overseas.

Research also highlights the importance of financial planning, course selection and cultural adaptability to maximize benefits. Students should carefully assess labour market trends and select countries with strong employment prospects. Political decisions - Manufacturers should focus on expanding scholarship programs and career support services to improve accessibility of diplomatic education.

Though challenges exist, such as tuition fees, job hunting, and cultural adjustment, long-term financial and professional profits dominate the initial costs. Foreign education will improve global exposure, networking opportunities and professional advancements, making it a lucrative investment for Patanamta students. A well-structured approach ensures that students can achieve academic and professional goals and at the same time contribute to the socioeconomic growth of their home countries.

In light of the findings, this study proposes a set of practical and policy-oriented suggestions aimed at improving the return on investment (ROI) of foreign education for students from Pathanamthitta. These recommendations emphasize the need for enhanced financial planning resources, stronger career support systems, transparent ROI projections, awareness of cost-effective study destinations, post-graduation financial guidance, and targeted policy interventions to ensure accessibility and long-term value of foreign education.

References

- Altbach, P. G. (2013). *The international imperative in higher education*. Springer.

- Becker, G. S. (1993). *Human capital: A theoretical and empirical analysis, with special reference to education* (3rd ed.). University of Chicago Press.
- Gandhi, S., & Patel, T. (2019). Financial burden of foreign education: The Indian middle-class dilemma. *International Journal of Educational Development*, 68, 47–55.
- Kumar, R., & Sharma, V. (2021). Evaluating the return on foreign education investment among Indian students. *Journal of Higher Education Policy and Management*, 43(3), 289–305.
- Maringe, F., & Carter, S. (2007). International students' motivations for studying in the UK. *International Journal of Educational Management*, 21(6), 459–475. <https://doi.org/10.1108/09513540710780000>
- Schomburg, H., & Teichler, U. (2006). *Higher education and graduate employment in Europe: Results from graduate surveys from twelve countries*. Springer.
- Thomas, M., & Mathew, B. (2020). “More than just money”: Perceptions of return on foreign education among Keralite students. *Kerala Sociological Review*, 24(2), 123–140.
- Zachariah, K. C., & Rajan, S. I. (2012). *Kerala's Gulf connection 1998–2011: Economic and social impact of migration*. Orient BlackSwan.