

Best practice II

Title of Practice: Cashless Campus

Objective:

- To eliminate the need to hand physical cash
- To save time and energy for standing in long queues
- To improve operational service and efficiency
- To impart more transparency in financial matters and administration

The Context

In recent years, there has been a growing trend toward using electronic payments rather than physical cash. This trend to a cashless society is likely to be accelerated by various reasons which gives an impetus to avoiding unnecessary physical transactions. There are several advantages of a cashless society, such as a lower risk of violent crime, lower transaction costs and fewer issues of tax evasion. Cashless society can be simply defined as an economic concept where all the financial transactions take place through transfer of digital information instead of physical banknotes or coins.

If we look into the history then we'll find that cashless societies existed since the time when human societies were in their nascent stage. Many exchange methods were prominent namely the well-known barter system. The use of cash has been steadily declining across the world for years – spurred on by the rise of digital challengers making payments ever-more convenient, and consumers demanding faster, more seamless ways to pay. It costs money to print bills and coins. Businesses need to store the money, get more when they run out, and deposit cash when they have too much on hand. Spending time and resources moving money around and protecting large sums of cash could become a thing of the past in a cashless future. In today's time too cashless payments are possible due to debit cards, credit cards, mobile wallet apps, point of sales (POS), mobile banking, internet banking, etc.

The Practice

A cashless concept eliminates the need to handle physical cash, long queues thus, improving operational service levels and efficiency. And as an educational institution, this will help to enhance the monthly cash flow. Al Ameen College is inching towards a cashless campus. Every transaction of the college is carried via digital platforms thereby decreasing the handling of physical cash. The fees collection from students has been fully done via an online fee portal. The college website displays an online fee portal link, which makes the process much easier. Al Ameen College uses the SBI collect platform for all its transactions. Various kinds of fees is collected from the students through Debit Card, Credit Card and Internet Banking from the respective web site of the Institutes.

Making cash payments is time consuming for students as well as the parents or teachers. That's the reason why Al Ameen College have decided to go cashless so that they can leverage faster transactions and increased efficiency.

This implementation of cashless facility has not only helped the students but also the other teaching and non teaching community. The salaries, PF amounts, ESI funds etc are all directly transferred to the recipients account via online or through cheques.

Evidence of Success

The success of this project could be achieved solely because of the support of the staff and students of this college along with the management. With the automation of essential in-campus services, the campus management can provide the facility of catering to students, staff, and parents on a 24 x 7 x 365 basis. Accuracy in all digital transaction is assured, as the element of human error is negated. Management has centralized control and monitoring capabilities of all the transactions, which makes it easier to review any transaction and get any analytical report and will also help in enhancing the goodwill of the Campus.

Problems Encountered and Resources Required

Well, one thing holding back online payments from becoming the be-all and end-all for transactions is the student and parent community and even the teaching and non-teaching community who aren't digital natives and may feel alienated by this change. They find it really difficult to cope with the change. The fear of exposing of personal data also stands as an obstacle. In a cashless society, you're more exposed to hackers. In fact, the digital divide has also contributed to the challenge. If society is forced to choose from just a few payment methods, or if one app becomes the standard payment app, the companies who develop these services may not offer them for free. Payment processors may cash in on the high volumes by imposing fees, eliminating the savings that should come from less cash handling. It was also noted that those without bank accounts struggled to keep up with evolving cashless technology.