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MIGRATION MOTIVATION, FINANCIAL MANAGEMENT PRACTICES, CHALLENGES, AND FINANCIAL SELF EFFICACY AMONG STUDENT MIGRANTS FROM KERALA STATE

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ABSTRACT

Student migration for higher education has increased as students seek improved academic quality, global exposure, and stronger career prospects. However, the financial demands of studying abroad—tuition, living costs, exchange-rate volatility, and limited income opportunities—can shape both academic outcomes and well-being. This study examines (i) migration motivations, (ii) financial management practices, (iii) financial management challenges, and (iv) financial self-efficacy among student migrants from Kerala. A survey-based design was used with 276 respondents selected through non-probability snowball sampling. Results indicate that career advancement is the strongest migration motive, alongside cost considerations and social support. Respondents report generally proactive financial behaviours budgeting and expense tracking, with saving most prominent, but also significant challenges driven by rising tuition/living/visa costs, unexpected expenses, and limited income opportunities. Financial self-efficacy appears moderate as respondents feel reasonably in control, yet show vulnerability to shocks, including reliance on credit during unexpected expenses. Hypothesis tests found no statistically significant differences in the migration motivation, financial management practices, financial management challenges and financial self-efficacy by gender, age, or educational qualification. The findings support the need for systemic pre-departure financial literacy training, strengthened institutional aid coverage, emergency support mechanisms, and credible information channels for prospective migrants.

KEYWORDS: student migration, Kerala, financial management, financial challenges, financial self-efficacy, migration motivation

1. INTRODUCTION

International student mobility has expanded in an increasingly interconnected world. Many students pursue degrees outside their home countries to access specialized programs, global exposure, and improved career pathways. Alongside these opportunities, student migrants must manage complex financial realities—tuition payments, living expenses, accommodation, healthcare, transportation, and



cross-border banking—often under constraints that domestic students do not face, such as visa-linked work restrictions and exchange-rate risk.

Kerala, recognized for high literacy and strong educational aspirations, has experienced substantial outward student migration in recent decades. Young people from Kerala increasingly pursue higher education abroad, commonly targeting countries such as the United Kingdom, Canada, Australia, Germany, and the United States. This pattern is influenced by perceived quality differentials in higher education, career opportunities, competitive entry to programs in India, and Kerala's long-standing migration culture. Yet the financial strain of international education may affect academic performance, mental well-being, and post-study decisions (including pressure to remain abroad to repay debts and support family).

Understanding why students migrate (migration motivation) is important for (i) policy design, (ii) university support systems, and (iii) family decision-making. Studying financial management practices reveals how students' budget, save, track spending, and manage cross-border financial systems, and it can identify gaps in preparation and financial literacy. Examining financial challenges (tuition, cost of living, limited income options, emergencies, healthcare, and visa-related costs) can inform targeted supports such as scholarships, subsidies, emergency funds, and counselling. Financial self-efficacy matters because it is linked to lower stress, stronger independence, and more sustainable long-term financial behaviour. Evidence in this domain can support the design of pre-departure financial education and ongoing counselling for student migrants.

Despite growing student migration, there remains limited survey-based understanding of the combined relationship between migration motivation, financial management, financial management challenges, and financial self-efficacy for student migrants from Kottayam District. Student migrants face high and uncertain expenses, potential barriers to employment, exchange-rate volatility, and difficulty navigating host-country financial systems. Many also finance study through family resources and/or loans, which can create repayment pressure and influence post-study plans. There is a notable absence of survey-based research specifically focused on student migrants from Kerala, addressing migration motivation, financial management practices, financial management challenges, and financial self-efficacy together in one study.

2. REVIEW OF LITERATURE

A growing body of literature documents the multifaceted dimensions of student migration, financial management, and economic self-efficacy among internationally mobile students.

Deshmukh and M. S. S. V. (2022) examined the drivers of student migration and highlighted its



implications for higher education quality and wage potential, noting that career advancement remains a central motivator for internationally mobile students.

Ehrhardt (2011) provided foundational insights into financial management theory and practice, establishing that budgeting, expense tracking, and informed financial decision-making are critical life skills that underpin long-term financial stability.

Ge and Ho (2014) explored intraregional student migration in Asia, emphasizing the methodological challenges of studying mobility patterns and the need for region-specific research frameworks to capture the nuances of student migration.

Happ and Förster (2019) found that financial knowledge significantly varies among students with migration backgrounds, suggesting that targeted financial literacy programs are essential to bridge gaps in economic understanding among migrant populations.

Heidel and Happ (2023) further demonstrated that family financial socialization plays a pivotal role in shaping economic understanding among migrant youth, reinforcing the importance of early financial education in home environments.

Kurter and Balun (2022) examined attitudinal dimensions among university students in cross-cultural settings, highlighting that social integration and peer networks significantly influence the decision-making processes of mobile student populations.

Mosneaga (2014) situated international student migration within the global knowledge economy, arguing that students are not merely academic travelers but strategic actors responding to global labor market demands.

Mulley and Sachrajda (2011) underscored the interconnections between migration, trade, and development, positioning student migration as a key driver of human capital formation with long-term economic implications for both sending and receiving countries.

Murabito (1996) offered early empirical insights into prospective student migration trends, noting that institutional and regional factors substantially shape student mobility decisions.

Sidhu (2011) explored the complexities of citizenship and belonging in the context of international education, noting that student migrants often navigate disintegrating imaginaries of identity as they adapt to new cultural and economic environments.

Warf (2014) analyzed student migration and higher education policy in Europe, revealing that policy environments — including visa regulations and post-study work rights — profoundly shape the financial and professional trajectories of student migrants.

Yu and Artz (2009) examined the intersections of migration and rural development, concluding that migration experiences fundamentally reshape economic decision-making, entrepreneurship, and long-term financial behaviours.

King, R. and Raghuram, P. (2013) found that despite the rapid growth of international student migration, the study of International Student Migration (ISM) remains a relatively neglected area within migration research and addresses this gap by highlighting the fundamental contradictions in



how international students are simultaneously viewed as desirable (for their fees and internationalism) yet unwanted under increasingly securitized migration policies, particularly post-9/11, and calls for more critical interrogation of the terms “international” and “student”.

Collectively, these studies underscore the need for empirical research that is contextually grounded, particularly for student migrants from regions like Kerala, where migration culture, financial dependency patterns, and institutional support systems exhibit unique characteristics. This study addresses the notable gap in survey-based research on student migrants from Kerala state, with a specific focus on financial management practices, challenges, and self-efficacy.

3. OBJECTIVES OF THE STUDY

1. To understand student migrant dynamics (destination preferences, influencing factors, and fund allocation) among migrants from Kerala.
2. To analyze financial management practices among student migrants.
3. To determine financial management problems faced by student migrants.
4. To evaluate financial self-efficacy among student migrants.
5. To analyze demographic differences in migration motivation, financial management practices, challenges, and financial self-efficacy.

4. RESEARCH DESIGN

A cross-sectional survey design was used to collect primary data from student migrants from Kerala. 276 student migrants from Kerala State are selected using snowball sampling. Data were collected using a structured questionnaire. The collected data were analyzed using descriptive statistics and inferential tests such as Independent-samples t-test and One-way ANOVA.

5. RESULTS AND DISCUSSION

5.1 Demographic profile

Female student migrants (52.63%) slightly outnumber males (47.37%), indicating a balanced yet female-dominated migration trend from Kerala State. Most student migrants are undergraduates (55.26%), followed by postgraduates (43.42%), with a minimal proportion at the doctoral level (1.31%).

5.2 Student migration dynamics

The United Kingdom emerged as the most preferred destination (64.47%), followed by other countries (14.47%), with lower proportions migrating to Australia, Germany, Canada, the United States, and Austria. Most student migrants (43.42%) reported a duration of stay abroad of less than 6 months, while 19.73% had long-term stays, reflecting diverse academic goals and program lengths.



Friends constituted the primary source of migration information (39.47%), followed by the internet (23.68%) and migration agents (22.36%), with family being the least influential information source (14.47%). Regarding funding, family support was the dominant financial mechanism (48.68%), followed by student loans (21.05%) and part-time employment (18.42%), with personal savings being the least utilized (2.63%). The majority of student migrants earned less than ₹25,000 monthly (43.42%) or reported no income (22.36%), highlighting significant financial dependence and economic vulnerability abroad.

5.3 Migration motivations

Career improvement emerged as the strongest migration motivation ($M = 3.67$), though the higher standard deviation indicates relatively greater variation in opinion on this point. Support from family or friends who had previously studied abroad ($M = 3.64$) and the cost of education ($M = 3.52$) were also consistently influential. Future job prospects in the host country and access to scholarships or financial aid, while still relevant, were comparatively less prominent motivators ($M = 3.47$ each). Overall, both career ambitions and financial/social support networks play pivotal roles in students' migration decisions.

5.4 Financial management practices

Students generally demonstrate proactive financial management behaviour: maintaining a monthly budget ($M \approx 3.63$), tracking spending (3.64), and saving regularly (3.80 — the highest score). Many also anticipate repaying educational debts through post-graduation employment (3.52) and acknowledge some pressure to remain abroad to support their families (3.43). Reliance on lump-sum contributions from relatives is comparatively less common (2.72). The tight standard deviation for post-study debt repayment expectations ($SD \approx 0.45$) suggests broad consensus on this belief, while the higher variation in saving behaviour ($SD \approx 1.17$) indicates that the regularity and amount of savings differ considerably across individuals.

5.5 Financial management challenges

Students studying abroad face a wide range of financial stressors. The most significant concern is the rising cost of tuition, living expenses, and visa requirements ($M = 3.61$), though the unusually high standard deviation reflects highly varied individual experiences. Many students also struggle with unexpected expenses (3.60) and limited income opportunities (3.59). Balancing academic and financial demands (3.51) and managing fluctuating exchange rates (3.46) add further layers of stress. Policy-related challenges — including post-graduation work restrictions (3.35) and rapid changes in visa regulations (3.39) — remain significant concerns, though to a lesser extent. Tracking personal spending is perceived as a comparatively lesser challenge (3.13). Importantly, 65.78% of students reported having to skip essential needs due to financial constraints, underscoring the tangible impact

of financial stress on daily well-being. The most commonly reported financial challenges were high cost of living (32.89%) and tuition fees (28.94%), followed by limited work opportunities and unexpected medical expenses.

5.6 Financial self-efficacy

Students exhibit a moderate level of financial self-efficacy. While many feel reasonably in control of their financial situation ($M = 3.42$) and capable of making informed spending and saving decisions (3.43), their confidence drops notably when confronted with financial emergencies (3.30). Unexpected expenses represent a key vulnerability — many rely on credit when such expenses arise (highest mean, 3.55), and find it difficult to maintain budgetary discipline in these situations (3.47). Similar difficulties are reported in making steady progress toward long-term financial goals (3.47). When serious financial challenges arise, students frequently struggle to identify effective solutions (lowest mean, 3.27). The narrow cluster of standard deviations across all items (0.83–0.97) suggests that these experiences are broadly shared across the student group, reinforcing the systemic nature of these challenges.

5.7 Hypothesis Testing

Hypotheses tested whether gender, age, and educational qualification significantly influence migration motivation, financial management practices, financial management challenges, and financial self-efficacy.

Table 5: Gender and Key Financial Variables — t-Test Results

Variable	Male Mean	Female Mean	p-Value	Result
Migration Motivation	3.58	3.50	0.647	H ₀ Accepted
Financial Management Practices	3.14	3.09	0.752	H ₀ Accepted
Financial Management Challenges	3.91	3.87	0.763	H ₀ Accepted
Financial Self-Efficacy	2.98	2.97	0.924	H ₀ Accepted

(Source: primary data)

Since all p-values are greater than 0.05, the null hypotheses are accepted at the 5% level of significance. There is no significant difference in migration motivation, financial management

practices, financial management challenges, or financial self-efficacy based on gender.

Table 6: Age and Key Financial Variables — ANOVA Results

Variable	Below 20	20–25	Above 25	p-Value	Result
Migration Motivation	3.633	3.575	3.624	0.951	H ₀ Accepted
Financial Management Practices	2.994	3.147	3.120	0.718	H ₀ Accepted
Financial Management Challenges	3.875	3.844	3.817	0.955	H ₀ Accepted
Financial Self-Efficacy	3.000	2.984	3.004	0.988	H ₀ Accepted

(Source: primary data)

Since all p-values exceed 0.05, the null hypotheses are accepted at the 5% level of significance. There is no significant difference in any of the four variables based on age.

Table 7: Educational Qualification and Key Financial Variables — ANOVA Results

Variable	Undergraduate	Postgraduate	p-Value	Result
Migration Motivation	3.481	3.482	0.993	H ₀ Accepted
Financial Management Practices	3.036	3.009	0.861	H ₀ Accepted
Financial Management Challenges	3.849	3.873	0.905	H ₀ Accepted
Financial Self-Efficacy	2.910	2.924	0.905	H ₀ Accepted

(Source: primary data)

Since all p-values are greater than 0.05, the null hypotheses are accepted at the 5% level of significance. There is no significant difference in any of the four study variables based on educational qualification.

The consistent acceptance of all null hypotheses across demographic categories suggests that the



financial challenges, motivations, and self-efficacy issues experienced by student migrants from Kerala are universal in nature, cutting across gender, age groups, and levels of educational attainment. This underscores the need for broad, systemic interventions rather than demographically targeted ones.

6. DISCUSSION AND PRACTICAL IMPLICATIONS

This study reinforces that student migration from Kerala State is primarily career-driven, with financial constraints and social networks shaping both destination choice and preparedness. The prominence of the UK as a destination and the reliance on friends/internet/agents for information suggest that informal networks remain central to decision-making—potentially increasing exposure to incomplete or biased guidance.

Financial management practices are relatively proactive (budgeting, tracking, and saving), but the challenges reported indicate that “good habits” may still be insufficient against structural pressures such as rising costs, exchange-rate variability, and restricted earning opportunities. The self-efficacy findings are especially important: students feel moderately capable day-to-day but are less confident in emergencies, and many rely on credit when unexpected costs arise. That pattern signals vulnerability to debt accumulation and stress, potentially shaping academic outcomes and post-study migration decisions (e.g., pressure to remain abroad to repay loans or support family).

The absence of significant demographic differences suggests that these difficulties are not confined to specific subgroups (e.g., one gender or age group) and may reflect common conditions faced by student migrants from the district. The study findings strongly support a comprehensive, multi-level intervention framework to enhance the preparedness and financial resilience of prospective student migrants. First, the establishment of verified information channels—such as certified counselling centers and authenticated digital platforms—would mitigate misinformation by providing evidence-based guidance on destination selection, visa regulations, employment restrictions, and realistic cost-of-living estimates. Complementing this, structured pre-departure preparation programs embedded within higher education institutions should systematically address migration planning and financial forecasting to reduce uncertainty and prevent financial miscalculations. Expanding institutional financial support is equally critical; this includes broadening scholarship accessibility and fostering transparent bank-college partnerships to deliver subsidized student loans accompanied by structured loan counselling. In parallel, the development of emergency aid mechanisms—such as contingency funds and rapid-response assistance for medical, visa, or employment-related crises—would provide essential safety nets. Mentorship models pairing prospective or newly arrived migrants with alumni mentors can offer sustained psychosocial and practical support through periodic engagement and problem-solving guidance. Finally, strengthening governance through the creation of dedicated student migrant support cells and enhancing regulatory oversight and transparency of private overseas



education agents would institutionalize accountability, reduce exploitative practices, and ensure more equitable migration pathways. Collectively, these measures reflect an integrated policy approach grounded in financial preparedness, institutional accountability, and migrant well-being.

7. CONCLUSION

The study provides evidence that student migrants from Kerala State are strongly motivated by career advancement and show generally positive financial management behaviours, particularly saving, budgeting, and tracking expenses. Despite these strengths, students face substantial financial stress from rising study-abroad costs, limited income opportunities, and unexpected expenses, with exchange-rate volatility and policy uncertainty adding further strain, many continue to depend heavily on family support and face considerable financial strain while studying abroad. Financial self-efficacy is moderate: students feel some control but are vulnerable during emergencies and often rely on credit when shocks occur. Since demographic differences are not statistically significant, the findings point toward the need for broad, systemic interventions—financial literacy training, stronger institutional support, emergency aid, and trustworthy information infrastructure—to protect student well-being and maximize the benefits of international education.

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