



## EMERGING CHALLENGES AND TRENDS IN COMMERCE EDUCATION IN INDIA

**Dr. T.Narayana Murty\* Dr. Desti Kannaiah\*\* Dr. Srinivas Inguva\*\*\***

*\*Director, Nimra College of Business Management, Vijayawada, India.*

*\*\*Senior Lecturer, School of Business, James Cook University, Singapore .*

*\*\*\*Professor in Business, George Brown College, Toronto, Canada.*

### **Abstract**

*Commerce education is business education. Commerce education is that area of education which develops the required knowledge, skills and attitudes for the handling of Trade, Commerce and Industry. Business and Commerce are performing arts requiring inculcation of professional operative skills. However, every art and skill requires scientific knowledge as basic foundation in theory. Acquisition of theoretical knowledge sharpens human faculties of mind and intellect. Thus, a system of business and commerce education should equip the student with the knowledge of theory which he should apply in performing and practicing art, and getting knowledge from experience. We stress on training in applied business-science is a part of social responsibility of business. Business and Commerce education should be oriented to the practical problematic micro and macro situation. This orientation would enable a commerce graduate or a business graduate to meet several challenging situations in managerial decision-making. Commerce and business graduates must imbibe the fundamentals of language, logic, simple mathematics and business communication skills which create the power to think logically and present the problem in a lucid language. It is necessary to adopt an integrated approach which assumes that management of business and commerce should not be increasingly divided. Commerce education should be on total personality against the Government policies creating uncertainty and difficulties created by bureaucracy. Education in business and commerce should create a personality which is not only adaptable but of a high moral character. While keeping in line with the developments in technology and computerization, basic social and Indian values, Indian culture and tradition and typical problematic situations which are Indian should never be lost sight of, while imparting business and commerce education in India. The growing phenomenon of globalization, liberalization and privatization has been immensely influencing the Commerce Education. Alvin Toffler in his famous book "Future Shock" says that, "To help avert future shock, we must create a super industrial educational system and to do this, we must search for our objectives, methods in the future rather than past. Education must shift into future tense." The Higher Education sector in India is very vast.*

**Key Words: Commerce, Education, Challenges.**

### **INTRODUCTION**

To meet the growing needs of the business society, there is greater demand for sound development of commerce education. The relevance of commerce education has become more imperative, this means a marked change in the way of commerce and management education is perceived in India. Through teaching, research, and service, the College of Commerce is dedicated to developing tomorrow's leaders, managers, and professionals.

Basically, education in business is education in managerial economics. Business and commerce are performing arts. However, acquiring a skill requires some basic foundation in theory. Digesting a theory sharpens the human faculties of mind and intellect which enable a person to think independently with freedom from borrowed thoughts. The applied aspect of Business Management should be hypothetical as well as based on experience which a person may get by undergoing on-the-job apprenticeship training which is again the responsibility of business to provide. Imparting of such apprenticeship training in applied business science is a part of social responsibility of business. It is a dimension to the center prevalent business philanthropy, e.g. one can imagine Telco financing and running training and making aspiring but inexperienced people aware of the fundamental micro and macro situations which create several challenges in managing a business. Though, business secrets need not be disclosed, instruction in fundamentals of language, logic and simple mathematics can be provided in an atmosphere where the principles are applied to gain practical experience. Moreover, a business unit imparting instruction and conducting training need not commit that the persons so trained in managerial economics and managerial skills be absorbed in the business unit itself. This is a philanthropic work in Human Resource Development for other industries which face various problems at the stages of promotion, survival and development.

The first Commerce school was established in Chennai in 1886 by Trustees of Pachiyappa's Charities. Commerce classes started in the Presidency College, Kolkata in 1903. The Sydenham College of Commerce and Economics was established in 1913 as the first institution for higher education in Commerce. In post-Independence period, Commerce education has emerged as one of the most potential pursuits in the wake of industrialization, economic development and techno-managerial revolution. Commerce has grown from a subject to a full-fledged faculty in most of the universities and had acquired a pride



of place amongst different academic disciplines. The growing phenomenon of globalization, liberalization and privatization has been influencing the Commerce and management education. The technological revolution has further provided new dimensions' E-banking, E-marketing, E-commerce, E-finance, E-investment paper less trading and governance has been gaining importance of all over the world. At the same time, the out sourcing business, call Centre, small business operation, IT based services etc., are expanding very fast. These developments demand paradigm shift in teaching and learning process. The new skills and training are required to cope up with these changes. The technological advances must be integrated into the basic fabric of Commerce education. Commerce education has played important role in Indian Industry and Indian Economy. There are number of challenges before the commerce education. Nation Income and Employment Opportunities are depends upon the Quality commerce education system. Learning is a part of any systematic knowledge. Teaching and learning are Important Two sides of commerce education system. The aim of education is to acquire the knowledge and develop minds of students and their skill. Today, our challenge not to give education to the students but as per LPG policy it has been necessary to train to our students in the manner of future of needs. Commerce and Management education is considered as one of the most popular career options in India.

Commerce and Management education is the backbone of the business. This education stresses on developing the people and making effective use of available resources. Commerce education develops the relationship of people with one another. Commerce education covers wide area of business and society. Commerce education gives to the people for democratic living, good citizenship and proper utilization of resources. It provides skill oriented education to students and society. The Quality of commerce and management Education depends upon the role of teachers & students participation in learning process. Learning process is also depends upon the teaching aids like Library facilities, Academic activities such as classroom seminar, field work as well as study tours and non academic activities of the college.

#### **COMMERCE EDUCATION – MEANING**

As a branch of knowledge, Commerce imparts experience of business world at large in all its manifestations. It prepares its learners for personally fruitful and socially desirable careers in the field of business. Chessemann defined "Commerce education is that form of instruction which both directly and indirectly prepare the business man for his calling." Fredrik G. Nichols defined "Commerce education is a type of training which, while playing its part in the achievement of the general aims of education of any given level, has for its primary objective the preparation of people to enter upon a business career, or having entered upon such a career, to render more efficient service therein and to advance from their present levels of employment to higher levels." During the post independence era, commerce education has emerged as one of the most potential pursuits in the wake of industrialization.

Most of the Education Commissions constituted in post independence India to explore higher education have undoubtedly held that the commerce education is primarily meant for providing the students in-depth knowledge of different functional areas of business so as to prepare people required by the community for.

The output of Commerce Education should be multidimensional and with full global competitiveness. But we have to realize that the Commerce graduate have lack of practical knowledge. The practical oriented Commerce Education is a need of the age.

We give teach our students with various activities that learning is become Powerful and also useful for the students to get employments and for the development their own business. Activity based commerce education gives more ability to the students in terms of knowledge perception analytical skill, and evaluation skill in the new economy the knowledge is the power. A student creativity is mostly depends upon his experience and subject knowledge which is relating to his effective learning. We hope that our main aim should be for quality education through the activity based education system.

#### **IMPORTANCE OF COMMERCE EDUCATION**

Commerce education in our country has been developed to support the growing manpower needs of business enterprises. The education imparted to the students of commerce intended to equip them with the specialized skills useful in different functional areas of trade, commerce and industry.

Continuous supply of quality manpower is essential for the growth of the industry sector. This necessitated the skilled manpower to manage the process of industrial reconstruction and the rapidly growing trade and commerce. However, over the years, there has been a fundamental shift in the very approach of commerce education; from a professional to a theoretical education. With a quantum jump in business scenario, there is a need to redefine the commerce education in the changing scenario and strengthen it further.



The Commerce education plays an essential role in today's dynamic business environment. The rapid trend of globalization and technological changes have made difficult for organizations to survive in the competitive world. As a result the importance of Commerce education has been increased many folds.

Business executives need to update their skills due to sudden changes in the external environment. Due to the increasingly complex nature of organizations and businesses, there is a need that the business schools impart relevant, current, and cutting edge knowledge to the students. The School of commerce should play pivotal role in equipping our future dynamic managers with the emerging trends of Commerce skills to face the challenges of dynamic business world.

### CONTENTS OF COMMERCE EDUCATION

Commerce offers foundation for many professional careers like Finance, Planning, Accountancy, Tax Practitioners, Banking and Broking etc, besides academics, research, and many more. Persons having flair for accounting, finance, commodities, marketing and trading etc. generally choose Commerce. As a stream of study, Commerce can be studied the Higher Secondary level. This paves the way for higher studies in commerce related subjects. The undergraduate and postgraduate Education in Commerce is offered at University departments and colleges spread all across the country. Specializations are offered at post graduate and at research levels. A number of subjects can be studied under disciplines of Commerce in conjugation like; Accountancy, Economics, Mathematics, Business, Finance, Marketing, etc. Most commerce colleges in India offer the following subjects in their curriculum:

**Commerce:** Commerce is the exchange of items of value between Persons or Companies. Any exchange of money for a product, service or information is considered a deal of Commerce. The Internet and an efficient postal system have made International Commerce convenient for Business as well as individuals.

**Business Economics:** This would cover concepts like the laws of demand and supply, law of returns, elasticity, theory of pricing under different market forms etc.

**Financial Accounting:** This subject would deal with the preparation of financial statements like – Profit and Loss statements, Balance Sheets and Final accounts of a company, knowledge of Indian and international accounting standards, calculation of depreciation and valuation of shares and goodwill of a company.

**Cost Accounting:** This would include process, job and contract costing, costing of overheads, standard and variance costing and budgetary control.

**Income Tax:** This would encompass the nature and basis of charge of income tax, tax planning, tax deduction, incomes not taxable etc.

**Auditing:** This would deal with vouching, valuation and verification of transactions, assets and liabilities. It will also include studying the auditing of different organizations like clubs, hospitals and charitable concerns.

**Business Finance:** This would include in its scope financial analysis as a diagnostic tool, the management of working capital and its components as well as capital structure leverages.

**Business Law:** This subject would discuss the different laws in India relating to, among others, the Companies Act and the Consumer Protection Act.

**Marketing:** This subject would deal with products, pricing methods, promotion, channels of distribution, logistics etc.

**E-Commerce:** E-Commerce involves conducting business using modern communication instrument like Internet, Fax, Telephone, E-data interchange, E-payment, Money transfer system. E-Commerce provides multiple benefits to the consumers in the form of availability of goods at lower cost, wider choice and save times. People or Consumer can buy goods with a click of mouse button without moving out of their house or offices. Similarly, online services such as Internet Banking, Tickets includes Airlines, Railway, Bus Bill Payment, Hotel Booking etc. have been tremendous benefit for the customers. E-Commerce education has been phenomenal in making a deep impact on higher education. Growth in the Internet over the last few decades has led to great impact on communication and research in their institutes.

Many MBAs/ M.Coms, MFMs, Working Professionals, Administrators, Housewives and similar people who fell short of time to go to a campus program have been able to benefit immensely from online sources.



E-Commerce education has opened new avenues for Cyber law studies. It need not be stated that the importance of Cyber laws has increased by leaps and bounds in the recent years. With hundreds of Cybercrime cases every day, awareness and knowledge about Internet has become more important-Commerce education not only equips students about latest career development advancements, it also opens door for access to information and knowledge.

### **Online Education**

It has become an important mode of education. Since the regular courses in India are getting very expensive and highly competitive, distance and online education is fast developing as an amazing option for the students E-learning opportunities are immense in India. Even the distance education programs are serving wonderfully. Distance learning can be availed through various types such as interactive CD-ROM programs, Mobile learning programs, Tele courses or Broadcast course via Television or Radio, Postal correspondence programs and many more.

### **OBJECTIVES OF COMMERCE AND MANAGEMENT EDUCATION**

1. To expose themselves to and to interact with the real life situation and in the process to assist the society.
2. To have practical orientation of class room instruction. Thus, this scheme is expected to helping learning while working and earning while learning.
3. To develop skills in commercial operations and inculcating proper vocational interest, attitudes and values.
4. To understand the problems and challenges in commerce and management education.
5. To study the recent trends in commerce and management.
6. To know the knowledge in the field of Commerce and Industry.

### **CHALLENGES IN COMMERCE AND MANAGEMENT EDUCATION**

The recent commerce education has emerged in the form of Chartered Accountant, Cost and works accountant, Company secretary and Business administrator. Commerce education is a totally different from other disciplines. Hence, it must charter new routes to service the aspirations of the nation.

### **Awareness about the Challenges**

Today, management is becoming increasingly divided. There are those who are sticking with and are stuck with the ways that used to assure top performance and profits. And there are those who have learned to employ personal styles and professional strategies that satisfy the demands of a maturing corporate world and the technology, economy and society of today. Based on the experiences and lessons of leading corporations all over the world, The Managerial Challenge is designed to give every executive a clear understanding of the problem areas and the possible paths to success in today's changing business world, such as :

1. Matching the job to the individual
2. Objective performance appraisals
3. Acquisition of skills, training and role of the Manager
4. Negotiation and managing
5. Management with emerging trends in Information and Communication Technology;
6. Multinational business.

In the developing economy of India, the challenges are created and aggravated because of the uncertain and tricky Government policies and the beaurocracy. The whole system works in an atmosphere of uncertainty which is man-made rather than nature. If business and commercial activities amount to risk-taking; i.e., decision making against uncertainty, then such business education as would enhance the operative skills and adaptability of human character would be necessary. Adaptability for character-building and image-building is a quality that can be achieved through formal education and experience gained through involvement in problematic situations. Thus, the orientation of business education in future is a maneuver. Adaptable personality is a personality which is oriented to finding out solutions to problems rather than problems to solve. This is possible when the process of teaching, learning and research are grass-rooted, have relevance to the local political problems. Basically, there is a problem of Indianisation of business education with reference to the culture of a business unit, the social culture, the value system and the basic ethics. After formal learning, the individual should get the necessary exposure to the social and economic systems which are genuinely Indian. Business education should enable creation of awareness among individuals about the different developments around, which are the result of policy changes at the macro and micro levels. When such awareness is created the apologetic tendencies in human behavior, fear-complex and frustration can be removed. Therefore, the basic objective of business education is to inculcate such habits, as would develop the free enlightened personality prepared to face various economic challenges without apology. The basis of such a





personality is character having no fear-complex of any kind. Business education is not a matter of formal training brought about by a set process of learning and teaching. Learning from experience and developing positive values and attitudes should be the outcome of business educational system. Ability to criticize without being cynic, ability to get exposure without being a hypocrite and adaptability to face the old and new challenges without indulging in ugly compromises are the aspects of personality development for businessmen. Such a character building through business education is necessary for HRD which is fundamental to any developed or developing country. A man, who has acquired business skills through business education, is an asset to the society, because through the communication and leadership skills acquired, he can remove the forces which create a hurdle in building up a harmonious society. Basically an educated mind is the powerful force behind development of a spirited individual and the society.

Today, the business world feels that the Commerce graduates and post-graduates lack in right kind of skills which are needed. Now the time has come to realize the mismatch between the product and the demand. We have to adopt market orientation to our products to make them saleable. There is an urgent need to overhaul the existing business education system to cope up with the dynamic world. The problems faced by the business graduates and post-graduates are of a great concern for the students, academicians, business world and even for parents. The reasons are many and they are oriented towards classroom theoretical teaching, lack of practical and work related skills, lack of communication skills, parochial and not global in values and thinking, lack of base of information technology, etc.

The traditional Commerce education has become irrelevant in the new era of globalization. The Impact of globalization on the corporate sector has suddenly created a demand for trained human resource of business education with innovative ideas, new approaches in business as well as professional skills. In order to fill the gap in this regard a new orientation requires to be given to the discipline of commerce education. Keeping in mind the significance of modern commerce education, the Indian government has liberalized the commerce and business education market since 1990s, resulting in an unprecedented growth in the number of commerce and management institutions mostly through private participants. The students now have a vast choice regarding the institutions in which they want to study. Since the commerce graduates and post-graduates produced by these institutions are primarily absorbed by industry, there is a growing need to match the curriculum and structure of business education to better fit the needs of changes in both in the industrial and services sectors within the country. Moreover, it is important to properly assess the quality of commerce education imparted to the students in various institutions for proper decision making regarding selection and recruitment by potential employers.

### **Challenges and Opportunities in Commerce Education**

Commerce is considered as one of the most popular career options in India. Commerce education is the backbone of the business and serial development of the nation. This education stresses on developing the people and making effective use of available resources.

Commerce education develops the relationship of people with one another. Commerce education covers wide area of business and society. Commerce education provides to the business and society that how to use it for the betterment of self and oneself. Commerce education gives to the people for democratic living, good citizenship and proper utilization of resources. It provides skill oriented education to students and society.

### **Challenges**

1. Challenges and Strategies for controlling inflation and promoting growth.
2. Emerging issue in global Economy, Commerce and Management.
3. Internationalization of Financial Market in the World.
4. Role of Foreign Direct Investment and Foreign Institutional Investment.
5. Reforms in Indian and International Economic Sectors.
6. Challenges and Strategies of IMF and WORLD BANK for International competition.
7. Challenges, Strategies, merger and acquisition strategies for Trade, Commerce and Industry in World.
8. Challenges and Strategies for commodities markets in the world and in currency market in International scenario.
9. Challenges and Strategies for export and import of Trade, Commerce and Industries in global scenario.
10. Challenges and Strategies for Stock Market and Investors for International competition.

### **Opportunities**

At the undergraduate level, Bachelor of Commerce, a three year full time course. And Master of Commerce at the postgraduate level. After completing course in the field of Commerce, a student can join any private institute or government



organization as a specialist in any of the Commerce stream and they can also pursue professional courses such as Company Secretary, Chartered Accountant, and ICWA.

A graduate in Commerce can also opt careers in financial services as a Financial Consultants, Stock Brokers, Merchant Bankers, Budget Consultant, Financial Portfolio Manager, Project Formulation Manager, Tax Consultants.

Careers in Management are also available in the field of Personnel Management, Production Management, Financial Management, Marketing Management, and Material Management, other areas of Management such as Hotel Management, Hospital Management, Tourism Management, Event Management, Office Management, Export and Import Management.

In the Bank, call for Commerce graduates and post graduates with specialization of Banking. Insurance Companies can also call for Commerce graduates and post graduates with specialization of Insurance.

Industrial segment are also call for Commerce graduates and post graduates with specialization of accounting skill including Computer Technology.

#### **The main problems in Commerce & Management education:**

- a. Poor attendance of student in classroom.
- b. Lack of practical work & field work.
- c. Lack of industrial linkage.
- d. Traditional teaching method.
- e. Examination and Evaluation system.

#### **RECOMMENDATIONS**

##### **1. Activity based Learning**

- a. Class room teaching is the old and tradition method for learning. We have to change our teaching methods and have to improve our teaching skills with the following activities
- b. Classroom Seminar
- c. Teaching the Junior students by senior students
- d. Success stories and guest lecture
- e. Project work
- f. Formation of core groups of students
- g. Field work and students tours.
- h. Networking of support services
- i. Non academic activities.

##### **2. Problems in the Learning Process:**

Today Information technology plays very important role in learning system. Traditional teaching method is become out of use today, So we have to accept new activity best education system for development of students Knowledge and skill. E-commerce, E-business & Internet system are become very important in learning process. There are various problems in teaching & learning process.

##### **3. Elements of Education system:**

Quality of education system is depends upon various element of education system. Which are very important today in education process. Our drop out ratio is very high as compare to world. We have to improve the following factors for the improvement of existing system.

- a. Teaching
- b. Learning
- c. Syllabus
- d. Teachers
- e. Students
- f. Management
- g. Govt. Policy
- h. University

#### **CONCLUSIONS**

Commerce should plays pivotal role in equipping our future dynamic managers with the emerging trends of Commerce skills to face the challenges of dynamic business world. Globalization and liberalization of our economy with privatization and



technological revolution have posed the most unprecedented challenges before the commerce education. With trade and commerce assuming innovative dimensions in the context of growing international business, the curricula for Commerce faculty should be adapted and re-structured to meet the future challenges of the economic, manufacturing and service sectors. The syllabus of commerce education must contain knowledge component skill component of practice component.

Placement is the ultimate goal of any business education. To place the students in industries, colleges can arrange campus recruitment & placement. The educational policy makers need to think about this matter seriously.

It ends with the objectives of training in business management quoted by the Indian Institute of Management, A'bad (IIMA) : "Training for management extends beyond the frontiers of formal education in humanities scientific and engineering disciplines (and) is of quite recent awareness in India. It is understandably the obvious first priority in development to think of means of production and the next of these men with the requisite skills, the engineers, chemists and accountants. But for the operation to work at more than its optimum efficiency these men need the wider operation and the attitude and the philosophy that take the organization forward". To quote from the objectives outlined by the Institute of Management, Bangalore: "Training for Management aims at augmenting the nation's management resources through programs of study, research, training and extension work. In addition to contributing to the traditional areas of management, it lays emphasis especially on the management needs of the public sector and those socially relevant sectors of activity which have not as yet had systematic exposure to modern management inputs. Sectors taken up so far are the Agriculture and rural development, education, energy and power habitant, population and health and transportation."

With a growing emphasis on information, global economy, Higher Education was viewed as increasingly essential for the world's population. Information Technology and Mobile Technology is now forcing education sector to change according to the need of the time. The most emerging dimension of the Business and Commerce education in the 21st century is the need for Business School to use technology and make it integral part of course contents.

Education now becomes an industry, there is explosion of technologies and knowledge in all sphere. The quality of Commerce Education has become a major marketing issue in the changing environment. As per specialization, a practical training should be provided to the students. By making relevant and practical oriented Commerce Education, we may impact global competitiveness to our students. As a part of the society the social awareness among Commerce students is the emerging need of present time.

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