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## Challenges Ahead For Commerce Education



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### INTRODUCTION

The dead line for implementation of W.T.O. agreement falls on Jan 1<sup>st</sup>, 2005. Each sector as per agreement gets ready to face competition through its competence. There is no exception to service sector in which education forms a part. The education, at present becomes a commodity just like manufacturing product. Till now, it has, its own competition among aided and unaided intuitions as like any other type of manufacturing products. It is usually aided by either central government or state government. But in recent times, the Nation has been experiencing mushroom growth of unaided institutions. In midst of these competitions, it is also expected that there would be a competition from international institutions. On this line of path, commerce education has also to meet out these challenges in years to come. In this context, the present paper aims at to study on the challenges ahead for commerce education. This paper is developed on the basis of the following objectives.

(a) To study the historical back ground of commerce education. (b) To evaluate the present scenario of commerce education. (c) To asses the challenges ahead for commerce education. (d) To identify the emerging issues out of challenges.

**HISTORICAL BACK GROUND** The word munims was to train the trainees under their apprenticeship. From this period on wards, the

importance on commerce education was given more. In this method, prospective 'munims' was taken as assistant and was taught on the job. Infact, this could not meet out the necessity of a developing business. Therefore the private commercial shops started the teaching of book keeping. This is the origin of developing

commerce education. In this venture, the Companies Act which was passed in 1850, created awareness among institutions to establish commerce education in India. The first commercial school was started in Madras in 1886, by the Trustees of Pachiappas Charities. In the same period, the Government of Madras instituted examination in commerce. In 1895, the Government of India started school of commerce is Calicut. The common subjects taught were

i) Business methods ii) Letter Writing iii) Type writing iv) Short hard In due Course commerce classes were started in Presidency College, Calcutta in 1903. Separate commerce institutions were also established in Bombay and Delhi between 1903 and 1912. It got moment in establishing commerce education at the collegiate and the university level immediately after starting of the Sydenham College of commerce and Economics in Bombay in 1913. This education was established as a professional course. And thereby more and more professional institutions were setup in the 1920's and 1930 up to the undergraduate level. The programme at master

level was first introduced by Allahabad university in 1941. After independence upto 1970, the expansion of commerce education was at a faster rate than the rate of expansion of university education as a whole. Even now the crazy over this course among students is more.

**PRESENT SCENARIO** Many people misconceive the term commerce. Obviously they relate this term with Business. At micro level both are same. But at macro level it could be seen the difference between these terms. However commerce is a part of business. That is business includes industry and commerce. On the other side, business is a branch of economics. Therefore commerce is a branch of economics. The commerce includes book keeping, finance, management account, costing, higher accounting, financial accounting, banking, insurance, transport, storage, marketing, advertisement and salesmanship and the like. It also deals with related aspects like management, organization, administration, human resource management and the like. Dealing of these in a course is called commerce education. Therefore, in general, commerce education means education in the area of trade and related aspects including service sectors. Though it covers many aspects as mentioned above, over the year it has been developed in a haphazard manner. The objective of its was not properly outlined even at the time of originate. Various commissions on higher education did not spell out the very basic objective of commerce education. Especially the Radha Krishnan commission viewed that it was intended to produce commerce graduate who could take their place in secretarial or junior administrative post in commercial concerns. According to the special committee for commerce education 1961, it was reported “The students of commerce are expected to develop knowledge of principles and practice of commerce to understand and analyze the structure of operation of the world business”. In another context, under the Mussorie seminar on the planning on business education, it was pointed out, “it is a liberal discipline and in no sense

professional or technical education.... Its purpose is to give a broad and general education to develop the minds of the students as a sharp and sensitive instrument of analysis and constructive thinking, thought, functional competence also develops in this process spontaneously”. These reports clearly view that commerce education deals only trade and its related activities alone. But in modern sense, it could be different. According to Fredrick G. Nichols, “The primary objectives of commerce education is to prepare the people to enter upon a business career or having entered upon such career to render more efficient service there in and to advance from their present level of employment to higher levels.” The objectives being marked by various committees or commissions may be generalized and presented with new outlook as such “the main aim of commerce education, in broader sense is a general and liberal education and in specific is a kind exercise to develop skill for a business career depending on the opportunities available.

At present commerce education at university levels or collegiate level, is comparted into three stages. The first stage is undergraduate programme, the second stage is postgraduate programme and the final stage is research programme. Normally at undergraduate level the programme is in general and liberal. At this stage there is no specific specialization in its. But mostly this is treated as professional course in arts and social science and has heavy rush for this programme. The students opt this course in order to lay a strong foundation for future career or education such as C.A., C.S., ICWA., MBA., MCA., BL and the like. However, it could be visualized that there is no uniformity in the curriculum at different places. At post graduate level, the students are imparted with commerce knowledge in depth to get them trained for teaching position either at school or college or university. Again at final stage, gaining of research knowledge is the main aim of its. But this is also there as an additional qualification and a step - in - stone for teaching position. In regards to

admission, creams of arts students from schools or Junior Colleges enroll themselves at undergraduate level. But the creams of undergraduate students choose only the professional courses like C.A, C.S, ICWA, B.L, M.BA, M.CA, and the like. The remaining students with high ambition of teaching position prefer postgraduate and research programmes of its. Therefore, demand for post graduate and research programme is very low.

**CHALLENGES AHEAD** Commerce has been a very attractive subject of study right from its beginning. The society had a thought at the time of introduction of this course that it would be a job oriented subject. Even now they have the same kind of perception. It was true at that time beginning. Of late, commerce is a subject of study facing a lot of challenges from more number of new innovative management courses. These developments have greatly reduced the employability of commerce graduates to the bare minimum. In addition to it, the present atmosphere in India is also made further complication to commerce education. The new economic policy supports liberalization, privatization and globalization (LPG). This poses a lot of changes in Indian economy. -This also leads to pave the way for Multinational Corporation. The world class products and services are available at competitive prices due to WTO agreement. As a result of it's, there would be tremendous implications on commerce education system. The students shall have to be exposed to the international standards and practices so that they can have good job prospective in future. Therefore the expected challenges are presented as follows.

a) A large number of foreign universities are expected to launch their programme in any form in India. This will tempt the top cream to opt such programme. Further Indian government instructed all Bankers to lend educational loan up to 7.5 lakh with out surety. This will again instigate all type of people invariably belonging to any status of income group, to choose foreign programme.

b) Many universities in India are not

recognized by many foreign universities. In this situation getting a degree from foreign university by our people will be inevitable. c) In 2003-04, the allocation for secondary and higher education is Rs. 2,125 crore. This much of allocation is not sufficient for its development. It is also observed that the government India reduces the allocation to higher education year by year. Therefore, a large number of private institutions under unaided scheme entered into commerce education system. Though they charge heavily but the allocation of fund for staff and infrastructure is very poor. Further from 2005 onwards a large number of foreign intuitions will give a tough competition to both aided and unaided stream of education in India. Here it is expected that the foreign institution will maintain international standard in quality of education, payment of salary and maintaining infrastructure. "In simple they will take heavy amount from our people for which they will pump a large chuck of their investment to establish such competitive programme in India. d) Indian commerce education is fully controlled by UGC. But the education pattern of foreign universities is controlled by their own rules and regulations subject to their government regulations. In this case, even if a candidate fulfills their conditions in acquiring degree, he or she can get degree in short span of period. Therefore this will be attracted by our people much.

**EMERGING ISSUES** Based on these, it could be surmised that commerce education in India will have to face a lot challenges from 2005 on wards. Out these challenges mentioned, the following issues are emerged.

1. A large number of foreign universities are expected to land on in India. 2. The Quality and infrastructure of these foreign universities are much higher then our intuitions. 3. Investment and charging for various programs of foreign universities will be high and attracted by large number people in India. 4. An image will be incused in the mind of people that the foreign programme will be a job oriented programme. 5. The development of present commerce education

is restrained by mushroom growth of management programmes. 6. The post graduate and research programmes are considered as base for teaching position whereas under graduate programme is for putting a strong foundation for future career. 7. There is no uniformity in curriculum of commerce education 8. The curriculum framed for commerce education does not have any specific specialization to set job at various sectors. 9. Commerce education is mostly theoretical oriented rather than practical and job oriented.

### SUGGESSTIONS

The discussions made above draw attention on commerce education to restem for new style if its development. For these, it needs the following suggestion to maintain its demand and image.

1. The goal or objective for commerce education should be spelled out clearly. 2. A separate forum or Board should be formed as a whole for preparing its policy common curriculum and objectives. 3. Undergraduate programme should be sustained as liberal and general covering all aspects of commerce. 4. Post graduate and research programmes should be developed as professional, job oriented and competitive oriented. 5. At post graduate level, the specialization should be specified such as, Master

Degree in Commerce with specialization in finance, marketing accounting, Management and administration, communication system, and the like. 6. Case study, practical training, project work both mini project and major project, and industrial visit should be inculcated with teaching methodology of commerce education. 7. Industrial tie up should be considered as very essential for providing training and placement to students. 8. International standard of quality and infrastructure should be maintained for providing good education to commerce students.

### SUMMARY

Commerce education is a demand oriented and popular education. The same temper has been maintaining since its inception. However a slight confusion has been erupted due to introduction of management courses. It is expected that further disturbances and confusion may come up after the entry of foreign institutions in India. But with slight realignment of the structure of commerce education, it could be possible to retain its demand and images. It could also be possible to bring our commerce education, the best alternative as a commodity to the world in the context of globalization. If it is done in this line, it can be sure to produce best put out to match the need of the corporate and other sectors.

## REFERENCE

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