

CHAPTER – 2

COMMERCE EDUCATION :
AN OVERVIEW

CHAPTER - 2

COMMERCE EDUCATION – AN OVERVIEW

2.1 Commerce Education - An Overview

Introduction

In India commerce education began in the year 1886 with the establishment of a commercial school in Madras by the Trustees of Pachiyappa's charities. The Madras Government by about the same time instituted examination in commerce. A school of commerce was established in Calicut in 1895 by the Government of India. Commerce classes started in Presidency College, Calcutta, in 1903 and later became the Government Commercial Institute. Between 1903 and 1912 commercial institutions came into existence in Bombay and Delhi providing for skill formation in typewriting, short-hand and business methods. Collegiate level education began with the establishment of the Sydenham College of Commerce and Economics in Bombay in 1913.

Growth of trade and commerce augmented the demand for commerce education in India particularly in the three presidencies as is evident from the memorandum submitted to the Calcutta University Commission (1917-19) on behalf of the Marwari community of the city wherein it was urged that "an early saturation of its youth in business methods and ideas is eminently desirable". About the middle of the 'twenties of the past century increasing unemployment among arts graduates strengthened the demand for a utilitarian.

Establishment of Commerce faculties

Not only at the start but also for quite a considerable period of time commerce courses were biased in favour of economics subjects as the professors in-charge had mostly training in economics. Eventually, the growth of a separate class of commerce teachers, development of commerce education abroad, growth of commerce and industry in the Indian economy and the

demand it made for professional personnel, the emergence of professional associations connected with commerce etc. "brought a change in the commerce curricula and greater emphasis began to be placed on commerce subjects proper in the B.Com. syllabi. Thus Accountancy and its allied subjects like Costing, Income-Tax, Accounts and Auditing, Business Statistics, International Commerce and Transport were included in the curriculum. At the same time within the purview of Economics subjects like Economic History, Co-operation, Rural Economics, etc. were removed or kept as mere optional. Many universities at the M.Com. level introduced practical training schemes as well. In most of the universities and colleges, practicing accountants and lawyers were appointed as part time lecturers to make teaching in these subjects as effective as possible. Then came a management bias in commerce education. This was partly because of the popularity of management courses abroad and partly because of the increasing demand in recent times for management personnel in India. Many universities introduced in their B.Com. and M.Com. Curriculum, subjects like Business Administration, Business Forecasting, Personnel Administration, and Industrial Relations.

Commerce Education Abroad

At the university level, commerce education abroad began in U.S.A. with the foundation of the Wharton School of Finance and Commerce in 1881 and in United Kingdom with the establishment of the Faculty of Commerce at the Birmingham University in 1901. Since then the setting up of departments of commerce at civic universities, such as Leeds, Manchester etc. led to the creation of teaching posts in economics in increasing numbers. Since then economics constitutes one of the basic disciplines of commerce studies.

Academic preparation for business careers in U.S.A. has been traditionally considered an aspect of the study of economics. Even today the main framework of the syllabi in this field is provided by economics. In U.K. commerce departments as such are not necessarily in commerce faculties of

universities. In Germany, almost all universities have faculties for political economy which in most cases is divided into two branches: (a) Political economics (theoretical and applied economics which include statistics, accountancy, law and sociology); (b) Business administration (including accounting, economics, statistics and law). In six out of the eight universities in Switzerland, the department of Commercial Science is included either within the faculty of Jurisprudence or faculty of Law or faculty of Economics and Social Studies. In all universities in the West, commerce courses are principally built up around economics, accountancy and law.

Business Education in U.S.A

According to Gordon and Howell - Collegiate business education is largely a product of the twentieth century. Today, it is a restless and uncertain giant in the halls of higher education. It enrolls considerably more male students than either engineering or the natural sciences and mathematics combined. There is no question that the school or department of business has established itself firmly on the college campus. Teachers in the humanities look glumly on while students flock to its doors.

But it is an uncertain giant, gnawed by doubt and harassed by the barbs of unfriendly critics. It seeks to serve several masters and is assured by its critics that it serves none, well. The business world takes its students but depreciates the value of their training, extolling instead, the virtues of science and the liberal arts. It finds itself at the foot of the academic table, uncomfortably nudging those other two stepchildren, Education and Agriculture. It is aware of its ungainly size and views apprehensively the prospect of still further growth, knowing that even now it lacks the resources to teach well the horde of students who come swarming in search of a practical education.

It is no wonder, then, that 'Schools of Business Administration across the nation are trying, sometimes almost desperately, to find their souls.' They are 'bedeviled by the problems of whom to teach and what teach'. They seek to clarify their purpose and to find out their proper place in the educational world. They search for academic respectability, while most of them continue to engage in unrespectable, vocational training. They seek to be professional schools, while expressing the doubt themselves that the occupations for which they prepare students can rightfully be called a profession.

This has been the problem of business education since the latter decades of the twentieth century. The need for competent, imaginative, and responsible business leadership is greater than ever before; the need becomes more urgent as business grows even more complex and as the environment with which it has to cope up continues to change at an accelerating rate. Business educators debate with each other and with their critics as to how this need can best be met, or at least be met better than is now being done; that is, the more thoughtful and alert ask the question and debate the issue. The others plod in a rut they dug long ago. For them, it is enough to tell their students what business did yesterday and the day before.

It is not only the business schools that are concerned about their purpose and their future. Business itself is showing an unparalleled interest in the educational process and it too is asking the question. : How should businessmen be educated? At commencement time company recruiters swarm over the college campuses, frequently seeking that non-existent paragon, 'the broadly educated specialist', but setting for an engineering or business degree and a pleasant personality. Company officials are sent back to the colleges to participate in 'executive development programmes' and even to study the humanities. Employees, in all ranks go to school within the company walls. Aspiring candidates for advancement through the evening classes conducted by the urban universities and technical schools, frequently at their employers expense.

Business itself is pulled in two directions. It feels increasingly the need for educated men who have breadth, perspective, and flexibility of mind to cope with a business environment that grows in complexity and changes with bewildering rapidity. Yet it also feels the pressure for more and better-trained specialists who can master the technical problems that have been spawned by the technological and organizational revolution of the twentieth century. Thus business looks to the colleges to give it generalists and specialists, if possible, embodied in the same person. There is an agreement that only business needs more and better-educated young men and women. The dimensions of more are simple to understand; they have to do with bricks and mortar, dollars, students and above all, teachers. But what is a 'better' education – in general as well as for a career in business?

“The problem of business education is thus one of both quantity and, much more important, of quality”.¹

Commerce Education in India – Present scenario

The increasing demand for commerce education is due to a) Rapid industrialisation; b) Expansion of Banking and Insurance Industries; c) Phenomenal growth of public sector; d) Growth of demand for scientific approach to management through the absorption of qualified and trained people; and e) A shift in the attitude of businessmen.

Though the number of students joining commerce faculty has gone up substantially after 1970, the situation after 1991 (i.e. in a liberalised economy) has changed. The following Table depicts the enrolment in commerce faculty, which is increasing in number but percentage to the total enrolment is stable.

Enrolment in Commerce Faculty

Year	Enrolment in Commerce	Total Enrolment	Share of Commerce in percentage
1972-73	3,18,888	21,68,107	14.7
1977-78	4,63,957	25,64,972	17.0
1982-83	6,69,813	31,33,093	21.4
1987-88	8,57,971	39,10,828	21.9
1991-92	11,54,804	52,65,886	21.9
1995-96	14,10,119	64,25,624	21.9
2002-03	16,60,238	92,27,833	17.99

Source: U. G. C. Annual Report, 2002 – 03

Objectives of teaching Commerce

Objectives are the specific and precise behavioral outcome of teaching a particular topic in commerce. The objectives of topic in commerce help in realising some general aim of teaching commerce. The characteristics of a good objective are as under.

- (I) It should be specific and precise. (II) It should be attainable

To understand the objectives of teaching commerce, it is essential to understand the nature of commerce education.

According to John Devey, "Education is not a preparation of life, but life itself.

According to Mahatma Gandhi, "Man is neither mere intellect nor the gross animal body, nor the heart nor soul alone. A proper and harmonious combination of all the three is required for making the whole man and it constitutes the true economics of education". Further " A perfect well balanced all round education is one in which the intellect, the body and the spirit have all full play and develop together into a natural harmonious whole".

Commerce education is to be imparted keeping in view the above ingredients of Education.

Blooms' Taxonomy of Objectives

Bloom's taxonomy of objectives is a classification of instructional objectives in a hierarchy. According to it, specific objectives have been classified into the following three categories:

1. The cognitive domain objectives include knowledge, understanding, applications, analysis, synthesis and evaluation.
2. The affective domain objectives include the appreciation, values, attitudes, interests and feelings.
3. The Psychomotor domain objectives include skills.

A brief discussion of objectives is as follows:

1. Knowledge

To impart knowledge is the basic purpose of education and so it is naturally the basic purpose of teaching of any subject including commerce. By imparting knowledge of commerce to the student, it is expected that he/she acquires the knowledge about:

- (i) The nature, functions and responsibilities of commerce in society.
- (ii) Economic education directed towards better understanding of economic environment and better use of services of business.
- (iii) Their interests and abilities in commerce as a field of work.

Knowledge objective is considered to have been achieved if the student is able to recall and recognise various terms, facts, symbols concepts etc.

2. Understanding

This objective is considered to have been achieved if the student is able to:

- (i) Interpret charts, graphs, data, concepts etc. correctly.
- (ii) Illustrate concepts, facts, phenomenon etc.
- (iii) Discriminate between deterrent facts, concepts etc. that are closely related to each other.
- (iv) Identify relationships between various facts, concepts, phenomenon etc.
- (v) Find faults, if any, in statements, concepts etc.

3. Application

This objective seems to be the most neglected one in our educational system. It can be achieved to a great extent if a student is able to:

- (i) Analyse a given data.
- (ii) Formulate hypotheses from his observations.
- (iii) Confirm or reject a hypothesis.
- (iv) Correctly infer the observed facts.
- (v) Find cause and effect relationship.
- (vi) Give new illustrations.
- (vii) Predict new happenings.
- (viii) Find relationships that exist between various facts, concepts, phenomenon learnt by him.

4. Skill

Under this head it is expected that the study of commerce helps the student

- (i) To develop skills of organising and managing different business machines so that they get acquainted with the daily activities of an office.
- (ii) To develop skills in drafting of official correspondence, so that he/she may do well on being appointed in an office.
- (iii) Be able to serve in different sectors of trade, commerce and business.
- (iv) To enable students to prosecute their higher education with better and complex skills needed.

5. Interest

In order to achieve this objective the student is provided with certain commercial hobbies and other leisure time activities. By providing such activities our aim is to inculcate, among the student, a living and sustaining interest in the environment in which he / she lives.

This is considered to have been achieved if the student becomes curious and develops such an interest in commerce that he/she is always eager to:

- (i) Take up some interesting commercial hobby.
- (ii) Visit places of commercial interest.
- (iii) Undertake some projects in commerce.
- (iv) Meet and interact with some reputed persons in various fields of commerce.
- (v) Actively participate in debates, declamation, contests, quiz etc.

6. Appreciation

To attain this goal, teaching of commerce has to be done in an evolutionary way. For this the curriculum should include such topics where it is possible to reveal suitable biographical anecdotes, stories etc.

This objective is considered to have been achieved, if the student is able to:

- (i) appreciate the organisation and management of business organisation and to know how various communities are benefited by his/her activities.
- (ii) develop ability to appreciate the services rendered by national and international trade and commerce.
- (iii) appreciate the activities of the various instruments of business credits adopted by business houses.

LEVELS OF LEARNING

Knowledge	of facts, terms, theories
↓	
Comprehension	of the meaning of knowledge
↓	
Application	of knowledge and comprehension to new, concrete situations
↓	
Analysis	Break down the knowledge and comprehension into constituent parts and see relationships between them
↓	
Synthesis	re-assemble the parts into a new and meaningful agreement, thus creating a new whole
↓	
Evaluation	Judge the value of knowledge, comprehension and or new whole using explicit and coherent criteria of either one's own creation or derived from the work of others.

Competencies desired in Commerce Education

The fulfilment of the objectives of the commerce programme lies in the competencies of the students, who pass out of the colleges. Since the programme has two objectives i.e. i) preparing the students for immediate employment, and ii) to prosecute education at the end of graduation, the programme must consider two types of competencies of students as follows:

- (i) Competency desired by the employers i.e. reasonable degree of efficiency and skill.
- (ii) Competency desired by the institution of higher learning i. e. providing educational background that is essential for a student to enable him/her to undertake the studies at post graduate level.

Though, no clear-cut demarcation is possible between the two of the above competencies, the student must be capable of reading intelligently, writing correctly and communicating effectively. In addition to the above, the pupil must be capable of taking responsibility as an active co-operative citizen of our society. He/she must be capable of participating intelligently in the social, political and business life of the community.

Competency-Problem Solving

In the words of Tonne, Popham and Freeman, “Much of the current education philosophy is based on the idea that the educative process is largely a training in problem solving”.

The student is presented with a situation wherein he/she requires to learn, how to do a certain thing? In this way he/she realises a felt need and as a consequence, learning takes place.

A teacher having skills of subscribing to the above views might on the very first day in a type-writing class direct the discussion, to the uses to be derived from a course in type-writing; the student may take a decision to have a typed schedule pasted at a suitable place in his bed room so as to be in college in time. In the classroom the teacher may then start the work with an exercise in tabulation or in shorthand; the student may be interested in writing the names, of his friends, in short hand. In this way the class work will start with writing of any new word in which the student shows his interest.

There may be many a real life problem that may be presented to the students and he/she may be helped to solve it. In this way the student may be motivated in the topic and may be helped to learn by problem solving.

Six Steps of Learning Skills

Dr. Khan opines, “ There are six steps which are necessary to achieve mastery of the skill. They are pre-test, teach, test the result, adopt the procedure, re-teach, re-test, and continue the process till the actual mastery is achieved”. The use of these steps is essential to the teacher. The use of demonstration should be made in achieving mastery of skills. It is better for the teacher to demonstrate than to simply tell the students. Demonstration is helpful because the student makes it a habit to practice the demonstrated technique. The effectiveness of the learning skills can be checked by sufficiently practicing the skill.

2.2 Review of Literature

Douglas C. Basil (1980) – ‘Managerial Skills for Executive Action’ is of the opinion that the effective practice of management requires the judicious application of a set of managerial skills rather than the utilization of abstract principles. Short case histories that illustrate the application of managerial skills in the realistic world of business are presented in the book. These provide concrete examples of the difficulties involved in the successful utilization of these skills. The book is of a great help to a practicing manager to sharpen his managerial skills and therefore presents the nuance of such skills rather than basic concepts. The book does not pretend to be a theoretical construct on management; rather, it is a prescriptive and diagnostic approach to managerial decision-making.

Devadas Bhorali (1987) – ‘Commerce Education in India’ discusses the perspective of Commerce education at the national level vis-à-vis regional level and pattern of the existing Commerce curriculum of the +2 and +3 level and suggests potential areas for important future improvement. Devadas Bhorali suggests reorientation of Commerce Course to prepare students for Company Secretaryship, Cost Accountancy and Chartered Accountancy Courses.

G. S. Koshe (1989) – ‘Vocationalization of Education’, a paper volume, discusses some of the aspects of “Vocationalization of Education”. The authors of this volume are eminent educationalists and tell what is happening in the process of vocationalization of education in Gujarat, Orissa, Kerala and Karnataka. Though vocationalization is mainly considered at the secondary and higher secondary stages of Education, Prof. Ram Joshi and Dr. M. R. Bhide have discussed some aspects at the stage of higher education. The first paper contributed by Dr. Mrs. M.R. Shah serves as a backdrop to all the papers that follow. The general view presented in this volume of papers is that the main reason for slow progress of vocationalization has been the inadequacies in the process of implementation.

E. H. Mc Grath, S. J. (1991) – ‘Basic Managerial Skills for All’ emphasise the very basic but always perfectible skills of management and leadership; reading, writing, learning, speaking, listening, being real, teaching and training. According to the author, if all these skills cannot be called, in the strictest sense managerial, certainly they represent fundamental skills of the manager. The basic assumption of this book is that management training based on work experience, should form an integral and essential part of every man, woman and child’s education or in other words, management training is for everyone.

Michael Armstrong (1994) – ‘How to be an even Better Manager’ is of the opinion that there has been a wave of new thinking about management, which has come mainly from successful chief executives like Iacocca and Geneen or leading Management Consultants like Peters and Waterman. He affirms that the emphasis has been on success and achievement of excellence by leadership and good management. The chapters in the present book on Excellence and how to achieve it and the case studies reflect this emphasis positively. The importance of marketing concept has been covered by a chapter on Marketing Management. The important role of corporate culture in shaping the destinies of companies has been highlighted. There are a number of skills relating to people and problem management and also self-management that have become increasingly prominent in recent years. Overall the book capsulates the latest ideas on ‘How to be an even better manager.’

Alison Hardingham and Jenny Royal (1995) – ‘Team-work in Practice.’ The authors are of the view that personnel and development professionals need to acquire and constantly update a full portfolio of core skills. They believe that team-work is essential for getting things done; yet many organisations find the process fraught with problems.

Seema Rao (1995) - in her book 'Teaching of Commerce' has emphasised that though many universities have started teaching Commerce, it is greatly handicapped due to non-availability of literature. The importance of methods of teaching Commerce has further increased in the light of new developments in the world economy in general and the Indian economy in particular, especially in the field of industry, trade and commerce. The book primarily deals with the methodology of teaching of Commerce and lays stress on the fundamentals of modern philosophy of education. Seema Rao has emphasised the need of specific techniques in commerce teaching and has also pointed out their limitations. The book has a detailed discussion about various teaching aids in commerce and also its relevance and importance in teaching commerce.

Bill Scott (1995) – 'The Skills of Communicating' The book draws heavily in the materials that have been developed by the author, for the seminars in collaboration with other managers and professionals. In his book Bill Scott opines that the skill of communicating effectively is rarely an inherited gift. The majority of people are not pleased with instinctive flair, nevertheless one can develop the ability to do so, partly on acquiring an understanding of the technique. According to him, this depends on the practical development of competence and confidence, either through on-the-job coaching by sensitive management or more often, off the job, in a sort of seminar in which one can rapidly build compressed experience.

Jit S.Chandan (1996) – 'Organizational Behaviour' has covered extensively various facts, both micro as well as macro in the field of organizational behaviour. Its coverage is broad and up to date and also balanced in terms of concept and application. The book is intended for a wide audience and the case studies have been carefully selected so that they are relevant to the situation and refer to organizational environment.

Mike Pegg (1996) – ‘Positive Leadership’ is an invaluable tool for leaders as it provides practical ideas to inspire the people to achieve excellent results. It contains many examples from sport as well as from work. Mike Pegg is of the opinion that people often take steps towards working well together and after reaching their goal they may either choose to develop or die. Some get stuck, others learn from what is happening in the world. Quick, turn-around-time is vital, whether this means attitude turn-around-time or technical turn-around-time. He also emphasises that good teams reclarify their vision and tackle their next challenge.

Dr. P. C. Shejwalkar (1996) - In his book ‘Entrepreneurship’ brings to the notice of young students a comprehensive framework within which they can develop their career as entrepreneurs. The book provides a proper insight into the economic and psychological analysis of entrepreneurship and gives a sense of direction in which the first generation entrepreneur can expand his/her business activities. The case study of Shri Raosaheb Gogate presented in the book serves as a shining example of how the spirit of entrepreneurship enables a dynamic person to achieve commanding heights of success.

P. D. Shukla (1996) – ‘Towards the New Patterns of Education in India’ has analysed the 10+2+3 pattern of education, from its conceptual framework. The author has attempted to discuss the conceptual basis of work experience, vocationalization of secondary education, compulsory teaching of science and curricular and evaluation reforms. Dr. Shukla has pointed out that a new structure cannot be introduced overnight. The section of formal and non-formal education deserves special mention in which India can find panacea for its educational evils. Dr. Shukla has listed examples of non-formal education programmes in progress. Programmes on priority basis for the different age levels have also been cited by the author.

Bhatia R. L. (1996) - In his book 'Developing Presentation Skills' focuses on the importance of presentation in achieving success in business. He dwells at length on the four major elements that go into making an effective business presentation namely: Planning the presentation, Preparing the content, delivery skills and technique and finally the speaker's self state. Each of these aspects is highlighted with suitable examples and illustrations.

Richard Nelson Jones (1996) - In 'Effective Thinking skills' describes a repertoire of thinking skills, which can be applied to problems and decisions. These include: owning responsibility for one's own choosing, perceiving oneself and those around accurately, realistically attributing cause for what happens in one's life and using visual thinking. Illustrating each skill with graphic examples, Richard Nelson-Jones demonstrates how its application can be applied at home, at the work place and in crucial interpersonal matters.

Paula Arcona (1997) - 'Success abilities' has covered the various aspects about practical information and solution for the working personnel. The book has been divided into four sections, which cover aspects such as getting and keeping good jobs and tips for charting one's own career path. It also contains ideas for being more efficient and effective on jobs. Besides this more than hundred tips are given to help one get one's messages across better and finally it shows one how to sharpen personal skills and handle other facts of one's life that overlap one's work.

Terry Gillen (1997) - 'Positive influencing skills'. According to Terry Gillen, positive influencing skills depend on a few fundamental principles and offer incisive in-depth advice on how to get people on to one's wave length, probe and learn to discover them, sell one's own ideas, use of assertiveness and body language, resist manipulate tactics, adopt right 'game plan' for a variety of circumstances: Coaching, counselling, criticising, disciplining, negotiating, etc. The tent is rounded off with powerful practical guidance on applying its lessons to the real world.

Margaret Dale (1998) - In 'Developing Management Skills' outlines what a manager can do without incurring large course fees on training and being without staff for long periods of time. The book is based on the belief that the best learning comes from doing the job for real. The ideas covered in the book help a manager to recognise the opportunities that exist in everyday work and learn how to exploit them. Margaret Dale makes an attempt to show how a different approach can transform a routine into a chance to experiment with different ways of working. Margaret Dale discusses how learning can be made relevant for the individual and have benefit for the employing organization. Packed with real life examples and case studies, plus tips and checklists, the book highlights common pitfalls and offers effective solutions. It is an essential reading for all managers interested in improving their own performance and of their organization.

J. C. Aggarwal (1999) - 'Teaching of Commerce, a practical Approach' serves as a reliable handbook for in-service Commerce Teachers. The book is written keeping in view the actual teaching learning situations in the classroom. The book fully covers the B.Ed. Syllabi in the Teaching of Commerce and is essentially student-centered and examination oriented.

Thomas Fernandes, B. Pattanayak Upinder Dhar, S. Ravishankar (2000)- 'Human Skills' - Creating the future opine that to enable the organizations to relate processes by which they operate, human skills need to be developed on a continuous basis with more focus on new management techniques and thinking. In this book the authors provide access to a broad spectrum of practical knowledge and human skills needed to keep pace with the changes in organizational environment. The diversity of insights, concepts and experiences presented in this book offers guidelines to develop competencies for continuous improvement in the work place systems and process.

K. Venkateshwara, Sk. Johni Basha Digumarti B. Rao (2004) - in their book 'Methods of Teaching Commerce' have emphasized the need of good quality teacher- education, and good curriculum. According to them the methods of teaching each subject play a pivotal role in enhancing the efficiency of their profession.

Sumanta Rudra (2004) - In her book 'Effective Communication' covers various aspects of communication and gives an in depth understanding of the various elements of communication verbal and non verbal, with case studies and assignments to provide a practical perspective. Sumanta Rao has referred to a number of theories belonging to various schools of thought in the field of personality and communication skill development and has made an effort to inculcate in readers, not only conscious understanding but also a sub-conscious awareness about the various interpersonal skills.

References:

1. **Ghosh A. B.**, *Commerce Education*, Sultan Chand & Sons, Delhi, 1969 – pp. 1-12
2. **Rao Seema**, *Teaching Of Commerce*, Anmol Publications Private Limited, New Delhi, 1995 pp. – 9,37