CHAPTER ONE

INTRODUCTION

The study entitled “A study on the Identification and Development of Competencies related to Business Studies at plus two level” is a survey cum experimental study. This study has initially made an attempt to study the extent of Business Competencies among Business Studies students at plus two level and found that it is inadequate. Hence attempts were made to foster selected Business Competencies using a ‘Specially Designed Instructional Package’ and validated the same in the form of an experiment. The present chapter deals with the theoretical orientation to the major concepts namely, Business Studies, Concept of Business Studies, Areas of learning Business Studies, The aims of Business Studies, Present status of the study, Need for the study, Statement of the problem, Objective of the study, Scope of the study and Organization of the study.

1.0.0 INTRODUCTION

The world is witnessing a high-tech revolution with changes in science, technology, commerce and industry. The world now believes that knowledge is everything. With the opening up of world economy by way of globalization, liberalization and privatization processes, all the business sectors witness a tremendous growth. The whole economy undergoes a tremendous transformation with many new sunrise sectors like financial services, consultancies etc coming up. The service sector is outstripping the manufacturing sector in growth. A career in
these sectors involves challenging work, high growth opportunities, lucrative pay packets and a professionally challenging work environment.

The corporate world is dynamic and the changes are so severe where a series of new concepts and techniques are coming fast into being and the earlier and traditional ones become obsolete. This situation has given rise to the restructuring the curricula of business education at all levels so as to make it meaningful and compatible with the changing business scenario and to introduce the concepts and techniques to further channelize and streamline their contribution to business education.

The emergence of Globalization, Privatization and Liberalization has brought a number of changes in the world especially in all spheres of human life including education. The concept of globalization, considering different parts of the world into a global village under one roof has made an impact on the world economy. This has brought the new idea of interdependence between and among the nations and this interdependence has increased tremendously (Routledge 2010).

As a result of this growing interdependence, it laid a strong foundation for a number of aspects like the establishment of foreign collaboration of business, increasing international flow of capital, technology, emergence of multinational companies, increased standard of living, employment opportunities, bilateral and unilateral trade agreements between countries, global sourcing of raw materials and components of machineries, international movement of labour, from developed to developing countries and vice versa and investment on education anywhere in the world.

In this context of a competitive world, the discipline of business education is highly significant for the purpose of training every individual to enter into the global society. To enter into the global society, a competitive standard of practices in education is the basic requirement (Jaime Ortiz 2004). So the very important objectives of the curriculum involve making a deliberate attempt to plan the education as per the need of the global society (Ronald J. Kushner 1999).
Education in the global context is never meant to be mere transactions of the content in the classroom but it should also emphasize to promote the entire capacities and capabilities of students.

Kothari Education Commission (1964-66) rightly remarked that the educative process should enable an individual to attain the fulfillment of learning and earning perspective. Learning perspective means the depth of knowledge that an individual acquire from education that is designed by the curriculum, whereas earning perspective means an individual’s capability of managing day today affairs of life.

To accept the proposal of Kothari Education Commission (1964-66) in the growing global educative era, the need of business education has a significant role. Business education has a dominant role to prepare students to foster their intellectual, social and moral development and specifically it prepares students in developing knowledge, skills, understanding, attitudes and formation of personality in the field of study they choose.

The goal of education should be to plan and to prepare students to develop their innate potential so that they will be able to face the probable challenges and difficulties in their field of life. Thus this approach may help the students to fulfill a number of objectives like understanding the nature of the business activities, the environment within which they function, with particular reference to the situation they live in gaining knowledge of the theoretical and practical aspects of the operation of the various types of organizations, understanding the role of business activities in the modern world, develop awareness of the changing and integrated nature of business to explore and deal with problems that arise in different situations of their life.

1.1.0 Meaning of Business Studies

Business Studies is a dynamic course of study which prepares students to meet the challenges to the world of business. It emphasizes the ever-changing
character of business, the diverse nature of business enterprise and the interdependence of the various parts of the business world. Although an academic subject, Business Studies is practical, applied and exciting. It equips pupils with many life skills such as communication, leadership, problem solving, time management, team work and decision making.

1.1.1 Concept of Business Studies

Business Studies is that part of the curriculum which enables the student to make informed decisions in the everyday business of living, which contributes to the student's understanding of the world of business and to encourages a positive attitude to develop appropriate skills in that field. The syllabus of business studies has balanced between the business educations necessary for the individual/household area education in the purely commercial context. The syllabus for business studies is interrelated and the aim of the syllabus depends upon recognition of the need to integrate various aspects of Business Studies. The concept business studies are detailed below:

- **Economic awareness:** Without a basic level of economic awareness citizens cannot fully participate in the democratic process, every day, individuals make economic decisions, as do business firms and governments. It is becoming increasingly difficult to make political choices without some knowledge of economics. Business Studies aims to make some contribution to economic literacy among students in order to enable them to make an informed contribution to the democratic process.

- **The business of living:** The management of personal finance is an important life skill which must be practiced by everyone, young and old. In business studies much business knowledge and many of its skills may be taught. The topics dealt with in this section include: income and expenditure, consumer education, budgeting, financial services for the individual, borrowing and insurance. The development of communications skills, both oral and written,
and the skill of efficient record-keeping (and its role in decision-making) are also central to the business of living.

- **Enterprise:** The syllabus leads the student from the familiar personal/household situation to the less familiar commercial situation. Since economic activities are an important aspect of business education, different types of enterprises are taught in this syllabus and this supplies various attributes of enterprises.

- **Information technology:** The advance of new technology has already reached the stage where all students should be given some experience in its operation. Business Studies makes provision for basic keyboard training, it also advocates the use of this skill in operating appropriate computer software. It is recognized that students, teachers and schools face a great challenge with the spread of modern technology. Business Studies can help to meet that challenge in a school environment which is receptive to modern technology.

### 1.1.2 Areas of Learning Business Studies

The present business environment we live in is vast and complex. Whether we are poor or rich, the business activities around us have made our lives easy by fulfilling our basic needs and also improving our standard of living. We may recall the types and practices of business in the past and compare them with the practices of today. Today’s business activities are changing at a faster speed because of the advancement of science and technology and better communication system. Modern methods of production and distribution have made today’s business world a global market. The goods and services produced in one country are now readily available in other countries. Scientific management, use of advanced information and communication technology, readily available finance and insurance provide greater relief to the complexity of business activities. Thus, the need of the hour is to enable the learners to look into and interact with the required business competencies that affect their everyday life.
The Business Studies curriculum in level 11th and 12th offers a range of concepts, all built on the belief that effective learning in subject of the discipline depends on the development of competence through knowledge understanding application and analytical capacity. The business studies comprise a set of interrelated concepts that extend and deepen students’ understanding and competence in these critical areas. This will enable the student to apply the relevant concepts and competencies with increasing sophistication to a broad range of business-related issues and problems. Recognising linkages between these areas of study strengthens students’ understanding of theory and successful practice in the world of business.

1.1.3 The Aims of Business Studies

The fundamental purpose of business studies is to provide students with the knowledge, skills, and attitudes necessary to achieve success in secondary school, the workplace, Postsecondary education or training, and daily life. The aim of the business studies curriculum enables students to:

1. Gain an understanding of business concepts through the study of subjects such as accounting, entrepreneurship, information and communication technology (ICT), international business, marketing, and business leadership;

2. Achieve business, economic, financial, and digital literacy.

3. Apply the knowledge, skills, and attitudes acquired through the study of business to a variety of learning tasks and relate them to business phenomena on the local, national, and global levels;

4. Develop lifelong learning skills that will help them adapt to technological advancements, the changing workplace, and the global economy;

5. Make connections that will help them take advantage of potential post secondary educational, work, and business opportunities.
6. These goals can be achieved in a concrete and practical context through real-world learning activities that combine the acquisition and application of knowledge and skills.

**1.2.0 Present Status of the Study**

Business activity is a feature of everyone's life. As consumers and producers, employees, employers or self-employed, savers and investors, and as importers and exporters, people throughout the world engage in a web of business activities to design, produce, market, deliver and support a range of goods and services.

Business Studies is distinctive, in fact, it encompasses the theoretical and practical aspects of business and management in contexts which students can encounter in life. Conceptually, focus areas and perspectives ranging from the planning of a small business to the broader roles of management, finance, employment relations, marketing and the impact of the global business environment. Through the incorporation of contemporary business theories and practices, the course can provides rigour and depth foundation for students either in further tertiary study or in future employment.

Business Studies are embedded to provide a stimulating and relevant framework for students to apply theoretical concepts encountered in the business environment. It trains Students to investigate business establishment and operations and utilize a range of business information to assess and evaluate business performance. The role of motivation, personal development and entrepreneurship, especially in small business, is recognized as a powerful influence in business success. Business Studies make a significant contribution to the ability to participate effectively in the business environment.

Students completing this course will be able to develop general and specific skills including leadership skills, communication skills, research, analysis,
problem-solving, decision-making and critical thinking and. These skills should enhance students' confidence and ability to participate effectively, not only as members of the business world, but as informed citizens dealing with issues emanating from the business activity that impact on their lives. Business Studies as a discipline can foster intellectual, social and moral development by assisting students to think critically about the role of business and business institutions and their ethical responsibilities to the society.

A significant feature of Business Studies is its relevance to the full range at higher education, as it provides useful knowledge and skills for life. Business studies empowers students to become informed and responsible citizens by developing knowledge, understanding, skills and values relevant to their interactions with business and participation in a dynamic business environment.

In fact, the present system of education with respect to Business Studies subject is considered to be inadequate. Though the subject included a number of conceptual frame work related to business, particularly global economy, the content transaction is not intended to develop the capacities of the learner. The ultimate goal is limited to preparation of temporary achievement in examinations. Therefore this subject is taught only to committing memory and not to develop the best of the learner.

Thus, there is an acute necessity to identify the approach to prepare instructional material that would develop competencies related to "business studies and at the same time inevitable for the present life. Hence the investigator in this study intended to validate specially designed materials to develop competencies related to business studies at plus two level.

1.3.0 Need for the Study

Business is an inevitable ingredient of life. That is why business as component of education has not escaped right from the days of its conception. Starting from the ‘Gurukula system’ even before that, in India, business in the name of education for trade has occupied a dominant place. The origin of business education can be traced quite early in’Artha Shastra, where a comprehensive knowledge on administration of a state has been dealt with Business studies though not in a very obvious manner, of course but in a covert way have been getting a place in the system of education.

Traditional business 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 resources 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 business education. Keeping in mind the significance of modern business 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 education
imparted to the students in various institutions for proper decision making regarding selection and recruitment by potential employers.

The rapid trend of globalization and technological changes has made it difficult for organizations to survive in the competitive world. As a result of globalization and privatization all over the world, there is a greater demand for business education and related practices. There is a need to develop various competencies related to business and management and therefore it has been included in the curriculum at secondary and plus two level. The major emphasis for this subject is on developing the competencies related to business rather than an overall theoretical comprehension of the subject matter of business studies. This special emphasis requires a different approach which is unique for the development of practical competencies related to this area of study. A perusal of the overall situation of curriculum transaction of business studies in the present scenario makes it very clear that this task of transaction is not catering to its actual objectives (Peter J. Buckley, 2002, Pervez N. et al, 2004, Donald R. Cooper, 2003). The students are prepared only theoretically to answer questions asked in the examination which they would forget during the course of time. If Business Studies are taught with its actual stress where theory is translated into competencies, this part of education will definitely contribute to the present life of students.

Business Studies being a very significant part of the school curriculum at plus two level, it needs to be transacted effectively. This requires a great deal of research work in the process of teaching learning in the field of business studies in order to achieve the set objectives. In this connection, the investigator made an attempt to study comprehensively the research work undertaken related to the said area. It has been found that very meager studies have been undertaken in relation to business studies with special reference to class room transactions (Kathleen M Eisenhardt(1991), M.O Gbinoba, (2008), Newell S., et al (2003), M Kathleen Eisenhardt et al(2000 ) and that studies related to this issue in India is very scanty.
To meet the growing needs of the society, there is greater demand for sound development of business education. The relevance of business education has become more imperative, this means a marked change in the way business 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.

Realizing the need for business studies in the present context and also identifying vividly a need for a unique approach to curriculum transaction of business studies, that the present investigator made a thorough study of different transactional approaches and found that ‘Constructive Approach’, would satisfactorily transact competencies related to business studies. But exclusive study where constructive approach has been used in the area of business studies areas also was not found by the investigator. The effectiveness of constructive approach in parallel subjects (Nancy Harding (2003), Acta Paul (2008), Steven Jordan et al (1998), Mike Watts et al (1989), Jones Brader et al (2008), John Majoe et al (2008), has motivated the investigator to apply constructivism approach in the context of the present study.

Thus the investigator selected a problem titled “A study on the Identification and development of Competencies related to Business Studies at plus two level based on constructive approach. The above needs lead to the following research questions;

1. What are the Competencies to be developed among the students at plus two level in relation to Business Studies?
2. What is the present status of Competencies related to Business Studies among the plus two level students in Thrissur District?
3. What are the co-relates of competencies related to Business Studies among the students at plus two level in Thrissur District?
4. Does the present status of study require any intervention to develop Competencies related to business studies among the students at plus two level in Thrissur District?

5. What alternative strategies would contribute to developing Competencies related to Business Studies among students at plus two level in Thrissur District?

6. Can constructive strategies contribute to developing Competencies related to Business Studies among the students at plus two level in Thrissur District?

1.4.0 Statement of the Problem

A study on the identification and development of Competencies related to Business Studies at the plus two level students of Thrissur District.

1.5.0 Objectives of the Study

1.5.1 Objectives of Baseline Data Study

1. To validate the Competencies related to Business Studies at the plus two level

2. To study the status of Business competencies among the plus two students in Thrissur District.

3. To study whether there exists any significant relationship between
   
   i. Business Competencies and Business Aptitude of students at the plus two level.
   
   ii. Business Competencies and Business Achievement of students at the plus two level.

1.5.2 Objectives of Experiment

4. To develop a Specially Designed Instructional Package to foster selected Business Competencies among plus two students in Thrissur District.

5. To study whether there is any significant difference between the mean scores of the pre-test on Business Achievement of the experimental and control groups.
6. To study the effectiveness of the Specially Designed Instructional Package in relation to the traditional Approach in fostering selected Business Competencies (Leadership and Communication) among the plus two students in Thrissur District after adjusting, for the initial differences in Business Aptitude and Business Achievement.

7. To study the effectiveness of the Specially Designed Instructional Package in relation to the traditional Approach in fostering Leadership Competencies among plus two students in Thrissur District after adjusting, for the initial differences in Business Achievement and Business Aptitude.

8. To study the effectiveness of the Specially Designed Instructional Package in relation to the traditional Approach in fostering Communication Competencies among the plus two students in Thrissur District after adjusting, for the initial differences in Business Aptitude and Business Achievement.

9. To study the variational effect of the Specially Designed Instructional Package intended to foster Business Competencies among the plus two students in Thrissur District with respect to Gender.

10. To study the variational effect of the Specially Designed Instructional Package intended to foster Leadership Competencies among the plus two students in Thrissur District.

11. To study the variational effect of the Specially Designed Instructional Package intended to foster Communication Competencies among the plus two students in Thrissur District.

12. To study whether there is any significant difference between the means scores of the pre-test and the post-test of experimental group on Business Competencies.
1.6.0. **Scope of the Present Study**

The present study titled “A study on the Identification and Development of Competencies Related to Business Studies at Plus Two Level”, was a survey cum experimental at plus two level. The students belong to Thrissur district encompassing both boys and girls. The study was undertaken only on the English medium students. These students are those who have opted commerce as a stream of the course.

In the first phase, where a survey was undertaken, 300 students of both rural and urban areas to deduct the findings. At the experimental level, 25 students of rural area were selected and the findings are deducted based on the data of these students. The findings of the study can be applied to the plus two level commerce students including both boys and girls who studied in English medium belonging to Thrissur District of Kerala.

The results of the survey can be applied to rural and urban population of Business Studies students at plus two level whereas the experimental findings can be extended to business studies students of rural areas.

1.7.0 **Organization of the Study**

The research report consisted of seven Chapters. The first Chapter gives an introduction to the research study. The theoretical frame work to support the present study is highlighted in the second Chapter. Chapter three details the number of studies reviewed in relation to the significant variables based on the objectives of the study. Methodology adopted for the present study is detailed in chapter four. The specially designed instructional package developed to foster selected Business Competencies is presented in Chapter five. The analysis of the data and interpretation of the results are given in Chapter six. Summery, discussion and interpretation of the major findings of the present study is detailed in Chapter seven.