



Rising Trends in Commerce Education

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Abstract:

Since last two decades a numbers of changes and developments have taken place in the social and political arena and as a consequence India and other developing countries are facing new challenges to cope with, which put high demand on the educational system. At present India is in a stage of transition involving social, cultural and economic changes. It is gradually moving from tradition to modernity, from an industrial to an information society and from welfare state to liberal market economy. These have strong implications for commerce education. Today, commerce education is suffering from terminal disease and there is a tremendous sense of frustration not only in the minds of students, but also in the minds of commerce teachers about future of this education. Commerce graduates and commerce colleges have grown in number in very significant way in the last 70-80 years. Every years thousands of students complete their graduation & post-graduation in Commerce. Most of them are underemployed and many remain unemployed. On one hand, Industry is undergoing a difficult time and the number on employment opportunities is declining, whereas on the other hand Industry doesn't find commerce graduates up to the marks in terms of skills and understanding of the real problem. In this way commerce education is an essential part of education in our social life. Therefore the government should try to establish the new trend and syllabus of commerce education in primary education. Because of commerce education is an opening part of the life starts with the age of nearby 17-18 year in this trend of globalization. So our students must need this type of education from the preliminary days of education. Through this article the author wants to convey the basic needs of commerce education.

Keywords: *Commerce Education, Preliminary Days of Education, Rising Trends, Trade*

1. Introduction

Human wants are never ending. They can be classified as 'Basic wants' and 'Secondary wants'. Commerce has made distribution and movement of goods possible from one part of the world to the other. Today we can buy anything produced anywhere in the world. This has in turn enabled man to satisfy his innumerable wants and thereby promoting social welfare.

Standard of living refers to quality of life enjoyed by the members of a society. When man consumes more products his standard of living improves. To consume a variety of goods he must be able to secure them first. Commerce helps us to get what we want at right time, right place and at right price and thus helps in improving our standard of living.

The growth of commerce, industry and trade bring about the growth of agencies of trade such as banking, transport, warehousing, advertising, etc. These agencies need people to look after their functioning. Increase in production results in increasing demand, which further results in boosting employment opportunities. Thus development of commerce generates more and more employment opportunities for millions of people in a country. In this way we all needs of commerce education. Now let us try to understand the rising trends in Commerce Education.

2. Definition of Commerce

"Commerce is an organized system for the exchange of goods between the members of the industrial world."

"Commerce is that part of business which is concerned with the exchange of goods and services and includes all those activities which directly or indirectly facilitate that exchange."

-James Stephenson

3. Commerce Education: Meaning

Commerce education is, "that form of instruction that directly or indirectly prepares for his calling."

Paul S. Lomax (1928) writes, "Commercial education is fundamentally a programme of economic education that has to do with the acquirement, conservation and spending of wealth".

Chesseman defined Commerce Education As - "Commerce education is that form of instruction which both directly and indirectly prepare the business man for his calling."

H.G. Shields (1930) defines commerce education as follows, "Real commerce education is economic education-economic education, not of academic sort, long on theory and short on facts, but economic education which will given the student a knowledge of the basic realities of business life and relationships. The basic science of business is economics and without a thorough grounding and awareness of economic problems much of the material included in secondary schools, Commerce course is purely additive and essentially superficial. We cannot place technical and socio-business subjects on a dual basis science one is basic and the other is supplementary. We cannot accept a two headed definition of the field, but must recognise that certain elements must be given most emphasis and these I take to be economic factors". According to Herbert A. Tonne "This interesting explanation is obviously given as a means of emphasizing the value of economic understanding as opposed to a limited skills training programme".

Fredrick G. Nichols defines commercial education as follows, "Commercial 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".

Elaborating further Nichols writes, "There is no conflict between-preparation and efficient participation in productive activities and for wise use of resulting financial rewards. It is an obligation of business education to produce these results in the interests of the individual as a consumer of goods of business which produces what people will buy, and of society as a whole

whose welfare is predicated upon a proper functioning of the forces of production distribution and consumption".

4. Importance of Trade and Commerce

The importance of trade and commerce are mentioned in following points.

4.1 Commerce Tries to Satisfy Increasing Human Wants

Human wants are never ending. They can be classified as 'Basic wants' and 'Secondary wants'. Commerce has made distribution and movement of goods possible from one part of the world to the other. Today we can buy anything produced anywhere in the world. This has in turn enabled man to satisfy his innumerable wants and thereby promoting social welfare.

4.2 Commerce Helps to Increase our Standard of Living

Standard of living refers to quality of life enjoyed by the members of a society. When man consumes more products his standard of living improves. To consume a variety of goods he must be able to secure them first. Commerce helps us to get what we want at right time, right place and at right price and thus helps in improving our standard of living.

4.3 Commerce Links Producers and Consumers

Production is meant for ultimate consumption. Commerce makes possible to link producers and consumers through retailers and wholesalers and also through the aids to trade. Consumers get information about different goods through advertisements and salesmanship. The manufacturers are regularly informed about the likes and dislikes of the consumers through marketing research. Thus commerce creates contact between the centers of production and consumption and links them.

4.4 Commerce Generates Employment Opportunities

The growth of commerce, industry and trade bring about the growth of agencies of trade such as banking, transport, warehousing, advertising, etc. These agencies need people to look after their functioning. Increase in production results in increasing demand, which further results in boosting employment opportunities. Thus development of commerce generates more and more employment opportunities for millions of people in a country.

4.5 Commerce Increases National Income and Wealth

When production increases, national income also increases. In a developed country, manufacturing industries and commerce together accounts for nearly 80% of total national income. It also helps to earn foreign exchange by way of exports and duties levied on imports. Thus, commerce increases the national income and wealth of a nation.

4.6 Commerce Helps in Expansion of Aids to Trade

With the growth in trade and commerce there is growing need for expansion and modernization of aids to trade. Aids to trade such as banking, communication, advertising and publicity, transport, insurance, etc., are expanded and modernised for the smooth conduct of commerce.

4.7 Commerce Helps in Growth of Industrial Development

Commerce looks after the smooth distribution of goods and services made available by the industry. Without commerce, industry will find it difficult to keep the pace of production. It helps to increase demand for goods on one hand and on the other hand it helps industries by

getting them the necessary raw materials and other services. Hence, commerce helps in attaining better division of labour and industrial progress.

4.8 Commerce Encourages International Trade

Through commerce we can secure a fair and equitable distribution of goods throughout the world. With the help of transport and communication development, countries can exchange their surplus commodities and earn foreign exchange, which is very useful for importing machinery and sophisticated technology. It ensures faster economic growth of the country.

4.9 Commerce Benefits Underdeveloped Countries

Underdeveloped countries can import skilled labour and technical know-how from developed countries. While the advance countries can import raw materials from underdeveloped countries. This helps in laying down the seeds of industrialization in the underdeveloped countries.

4.10 Commerce Helps during Emergencies

During emergencies like floods, earthquakes and wars, commerce helps in reaching the essential requirements like foodstuff, medicines and relief measures to the affected areas.

5. Content of Commerce Education

5.1 Financial Accountancy

Financial accountancy (or financial accounting) is the field of accountancy concerned with the preparation of financial statements for decision makers, such as stockholders, suppliers, banks, employees, government agencies, owners, and other stakeholders. Financial capital maintenance can be measured in either nominal monetary units or units of constant purchasing power. The fundamental need for financial accounting is to reduce principal-agent problem by measuring and monitoring agents' performance and reporting the results to interested users.

In short, financial accounting is the process of summarizing financial data taken from an organization's accounting records and publishing in the form of annual (or more frequent) reports for the benefit of people outside the organization.

5.2 Cost Accounting

Cost accounting is a process of collecting, analyzing, summarizing and evaluating various alternative courses of action. Its goal is to advise the management on the most appropriate course of action based on the cost efficiency and capability. Cost accounting provides the detailed cost information that management needs to control current operations and plan for the future.

5.3 Auditing

The general definition of an audit is an evaluation of a person, organization, system, process, enterprise, project or product. The term most commonly refers to audits in accounting, internal auditing, and government auditing, but similar concepts also exist in project management, quality management, water management, and energy conservation.

5.4 Business Economics

Business economics as a field in applied economics uses economic theory and quantitative methods to analyze business enterprises and the factors contributing to the diversity of organizational structures and the relationships of firms with labour, capital and product markets. A professional focus of the journal *Business Economics* has been expressed as providing "practical information for people who apply economics in their jobs."

5.5 Business Finance

Business finance refers to funding and other forms of capital that supports the creation, growth, and sustainability of entrepreneurs and small holders, micro, small and medium sized enterprises, who were previously excluded from the financial markets. The instruments used in inclusive business finance include, but are not necessarily limited to: debt, equity, quasi-equity, grants, insurance, guarantees, development finance and various shared risk instruments and mechanisms. The definition of inclusive business finance also goes beyond exclusively referring to the funding activities of regulated and non-regulated, formal and informal, financial services providers, but also includes the provision of a variety financial resources (guarantees, loans, equity, leasing) by corporations to small holders and MSME's as distributors and suppliers within their value chains.

5.6 Marketing

Marketing is the process of communicating the value of a product or service to customers. Marketing might sometimes be interpreted as the art of selling products, but sales is only one part of marketing. As the term "Marketing" may replace "Advertising" it is the overall strategy and function of promoting a product or service to the customer.

5.7 Business Law

Business law consists of many different areas typically taught in law school curricula, including: Contracts, the law of Corporations and other Business Organizations, Securities Law, Intellectual Property, Antitrust, Secured Transactions, Commercial Paper, Income Tax, Pensions & Benefits, Trusts & Estates, Immigration Law, Labor Law, Employment Law and Bankruptcy. It is a branch of law that examines topics that impact the operation of a business.

5.8 Income Tax

An income tax, in British English, is a tax on money people earn (income), which is paid to the national government. In American English, it is a tax on the money people earn or on the profits companies make (also called *income* in American English), which is paid to the national, state, or local government.

6. Conclusion

Commerce should play a 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.

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