

## **IT'S HIGH TIME TO CURE THE TERMINAL DISEASES OF COMMERCE EDUCATION**

CA. Anima Chordia<sup>1</sup>, CA. Palash Birla<sup>2</sup>, Shurveer S. Bhanawat<sup>3</sup>

<sup>1</sup>Senior Research Fellow, Department of Accountancy and Business Statistics, Mohanlal Sukhadia University, Udaipur, Rajasthan

<sup>2</sup>Research Scholar, Department of Accountancy and Business Statistics, Mohanlal Sukhadia University, Udaipur, Rajasthan

<sup>3</sup>Professor and Head, Department of Accountancy and Business Statistics, Mohanlal Sukhadia University, Udaipur, Rajasthan

---

### **ABSTRACT**

Commerce stream in education is facing a major setback in today's India. There has been a continuous decline in number of students enrolling in commerce stream. The less reservation in jobs related to commerce, low employment rates, inefficient teachers, etc. are few of the reasons for decline in enrollment in commerce stream. In this study, the authors try to gather data related to decline in commerce education through various secondary sources. The study aims to study the challenges and shortcomings of commerce education and to suggest remedial measures and suggestions to improve the status of commerce education in the country. The data involves relates to share of commerce background students in various disciplines like MBA, IRS, setting up of start-ups etc. The study suggests measures to re-orient and re-design commerce education such that enrollment in commerce education can be improved and gaps between the industrial requirements and the academic curriculum can be removed.

**KEYWORDS:** Challenges, Commerce, Education, Employment, Enrollment, Syllabus.

---

### **I. INTRODUCTION**

Commerce is the catalyst and backbone for the development of any country's economy. India being a 30 trillion \$ economy by 2050, India's 3<sup>rd</sup> rank in the world in start-up ecosystem and

unicorns, India ranking as the world's 5<sup>th</sup> largest economy etc. are all outcomes of studies related to commerce. Commerce is a day-to-day part of life such that child practices barter system with parents about getting watch for scoring first rank in school, saving pocket money to buy gift parents on their anniversary. The concept of income on festival like Diwali as gift from relatives, expense on Raksha Bandhan in form of gifts for sisters, interest on account of lending money, saving for getting the favorite toy (car or barbie doll) etc. has been an inseparable part of everyone's childhood. The concept of budget and saving money is a part of each and every Indian household, that's how commerce is absorbed in our lives.

But today commerce is education facing a huge setback and challenge in India. Commerce is losing its charm as the data collected by Ministry of Education state that only 14% of students enrolled in the commerce stream in high school during 2012-2022. "Students who opted for science and arts streams have increased from 31 per cent (for both science and arts) in 2012 to 42 per cent and 40 per cent respectively in 2022," the study said. (Sharma, 2023).

## II. REVIEW OF LITERATURE

- **Venkateshwarlu et. al (2007)** stated that a commerce teacher has to perform several roles for the many-sided development of the pupil's personalities. The authors state that commerce or business education is to be looked upon as just one phase of education, not inferior or superior to any other phase or branch. The authors state that importance of commerce education has gained recognition only in recent years in India out of the fact that the education commission 1964-66 went into all aspects of education and at all stages of education did not include the study of business and commerce in the study curriculum.
- **Mohapatra & Meher (2018)** focused on the challenges faced by commerce students in the Sagar City of Madhya Pradesh in terms of employment opportunities. It aims to highlight the various reasons and challenges that contribute to the problem of unemployment and underemployment in India. The study also emphasizes the importance of making oneself more competent to secure a job and earn a livelihood. It aims to dispel the misconception that pursuing academic education alone is enough to get a job. The paper mentions that educational institutes in India have not adequately taught the practical implementation of theoretical knowledge, which hinders commerce students from availing employment opportunities. The survey conducted for the paper reveals that a majority of the respondents believe that there is

a lack of practical implementation of theoretical knowledge in the job field, further supporting the argument made in the study.

- **Swadia (2019)** recognized the issues and challenges in commerce education, to study the current scenario of commerce education and to study the reforms of commerce education. The author state that the students are also not equipped in the current system of commerce education with the specialized technical knowledge that is specially demanded for getting selected to jobs requiring knowledge of general subjects. The authors suggest that skill or job-oriented micro-specialisations should be developed and selected colleges, that are financially sound, having the required infrastructure facilities and a fresh nomenclature, should be established.
- **Ghadoliya (2019)** focused on the issues and challenges in higher education, specifically in commerce and management education in India. The author examines the status, government initiatives, opportunities, and the road ahead for higher education in commerce and management in India. The paper emphasizes the need for flexibility between vocational education and general education, allowing individuals to change streams based on their objectives for earning or learning. It discusses the importance of education for both earning and learning, and the debate surrounding this issue in countries like India. The paper also mentions the growth of e-learning in India, making it the second-largest market after the US.
- **Gupta and Patel (2019)** explored strategies for reforming commerce education curriculum to better meet the demands of the modern business environment. The article discusses the importance of incorporating interdisciplinary subjects, integrating technology, and promoting experiential learning to enhance student engagement and relevance.
- **AB (2020)** in their paper discusses the importance of Commerce and Management education in India in the 21st century, highlighting the transformation of education from knowledge-oriented to skill and employment-oriented. It also provides an overview of the opportunities available in this field. Commerce education is considered the platform for conducting various business activities smoothly and progressively. It has gained a prominent place in academic disciplines in India and has contributed to the growth and development of industries. The advancements in technology have also led to the emergence of new dimensions of Commerce, such as E-Banking, E-Marketing, E-Finance, and e-Commerce. The effectiveness of the education system ultimately depends on the motivation and discipline exhibited by the academic staff. While there has been an increase in public spending on mass education, there is a need to focus on enhancing and maintaining the motivation levels among teachers. The

education system in India has made progress in terms of accessibility, with efforts being made to provide access to all sections of society through reservations and subsidization of costs.

- **Smith and Johnson (2020)** provided a comprehensive overview of the challenges faced by commerce education worldwide. It examines issues such as outdated curriculum, lack of practical exposure, and inadequate teacher training. The authors draw upon case studies and empirical research to highlight the impact of these challenges on student learning outcomes and employability.
- **Tabasum and Venkatesh (2021)** highlights the importance of commerce education in economic growth, the need for practical knowledge and industry consultation, and the challenges in placement despite the contribution to the economy. The study found that commerce education contributes to the growth of the Indian economy by providing opportunities in business, production, and consumption, but placement rates are low due to high output. To improve commerce education, the authors suggested to provide both theoretical and practical knowledge, consult industrialists for relevant and industry-oriented syllabus, and enhance infrastructure and learning resources.
- **Kandalgaonkar et. al (2021)** in their paper highlights the limitations of commerce education in the academic world and the expectations of experiential learning in the NAAC assessment and the New Education Policy. The researchers have conducted various experiments in experiential commerce education, including industrial visits, surveys, and model and chart competitions, to make real-time practical exposure possible. The paper is based on the researchers' long experiences and the collection and evaluation of secondary and primary data. The study presents findings and conclusions on experiential commerce education.
- **Sharma and Singh (2021)** analyzed the importance of teacher quality in commerce education and its impact on student learning outcomes. Drawing upon surveys and qualitative interviews, the authors identify factors influencing teacher effectiveness and propose recommendations for improving teacher training and professional development programs.

### III. OBJECTIVES OF STUDY

The study involves the following objectives:

- A. To identify challenges and shortcomings causing decrease in commerce education.
- B. To suggest remedial measures in order to promote enrolment in commerce stream.

#### IV. RESEARCH METHODOLOGY

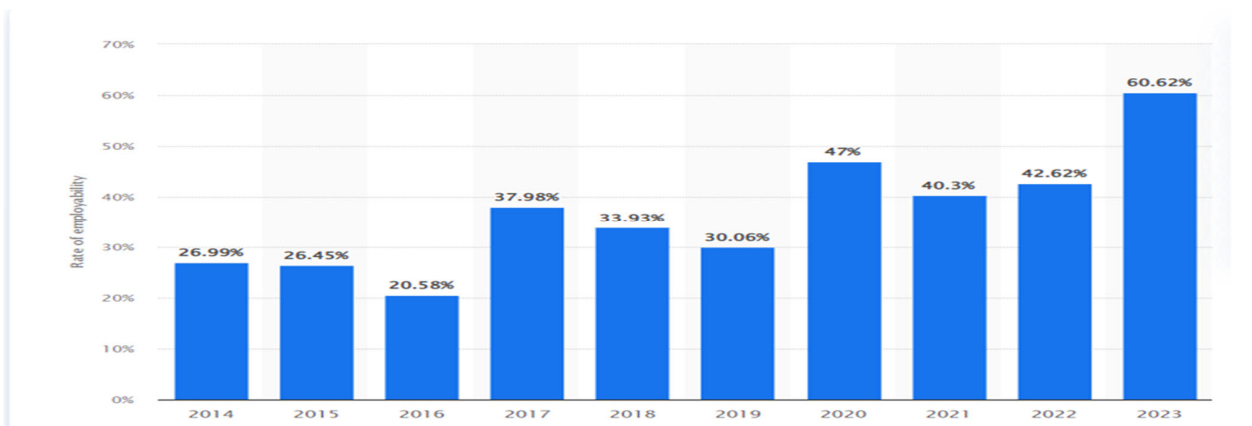
This study delves into the terminal diseases of commerce education through a desk-based research style that utilizes secondary sources. Academic journals, books, reports, and credible internet sources will all be part of the extensive literature review. Insights and viewpoints on the difficulties encountered by commerce education around the world will be included in the secondary data. In order to find important themes and concerns, the review will carefully search for, select, and synthesize relevant literature. In order to find commonalities and trends in the data from different sources, thematic analysis will be used to organize and examine the data. Proper citation of all sources and maintenance of data integrity are tenets of maintaining ethical standards. In order to determine how trustworthy and reliable the sources are, we will also perform a critical literature review. Using the current body of literature as a foundation, this research strategy aims to shed light on the fatal diseases plaguing commerce education.

#### V. DATA ANALYSIS AND INTERPRETATION

Data collected from various secondary sources bring out the following picture:

- A. Employment rate amongst B. Com graduates in India during 2014 to 2023 ranged only between 20.58% to 60.62% which is very low for a progressive country like India which is also the world’s 5<sup>th</sup> largest economy.

**Figure 1: Employability among graduates with a Bachelor of Commerce across India from 2014 to 2023**



Source: (Rathore, 2023)

- B. The students selected for MBA programs at Top B-schools like IIMs, ISB and also for posts like IRS officers, IES officers are majorly from Engineering background.

**Figure 2 : low proportion of commerce background students and high proportion of engineering graduates at ISB**

In 2018, if we look at the educational background of the applications, the list was dominated by Engineering graduates. Here are the top 3 undergraduate degrees students at ISB had:

- Engineering : 606 students
- Finance & Accounts : 72 students
- BBA/BBM : 51 students

The rest were from other backgrounds – Medicine, Media & Communication, Economics, Mathematics & Chartered Accountants.

**Source: (Crackverbal, 2022)**

**Figure 3: latest batch of IRS Officers comprised of 2/3rd of Officer Trainees from Engineering background.**

The 76th Batch of IRS Comprises of 61 Officer Trainees including 25 women (41%). 38% of Officer Trainees of the batch are from rural background and the rest are from urban or semi-urban background. As far as educational background of the Officer Trainees is concerned, around 2/3rd of the Officer Trainees are from Engineering background. For about half of the batch it is their first job.

**Source: (D.Wankhede & Rane, 2022)**

**Figure 4 : low proportion of commerce background students and high proportion of Engineering students for MBA program at IIM-A**

The share of Commerce students is 18% while the share of Science students is 1%. Meanwhile, engineering students continue to have the maximum share in the MBA programme with 76%. Students from engineering background saw a rise of 2% to 76%, from 74% in the previous year of Students Mix.

**Source: (Snigdha, 2020)**

- C. The start-ups and unicorns in India have very low proportion of commerce background and high science and engineering background founders. Start-ups are related to business field which is an area of commerce education, if the commerce background students are lagging behind in this area also, then the level and quality of commerce education in the country is a matter of serious concern and needs to be immediately looked into.

**Figure 5 low proportion of commerce and finance background entrepreneurs in start-ups**

Out of the surveyed startups, 33.3 per cent of entrepreneurs had an engineering background followed by 16.7 per cent in commerce/finance, 12.9 per cent in Science, 10.2 per cent in IT etc. In terms of professional background, 52.1 per cent were professionals while 29 per cent were business owners earlier as well. Among other findings from the survey was the source of capital for 42.9 per cent Indian startups was family and friends followed by 11.3 per cent coming from angel investors, 9.7 per cent from incubators, and only 7 per cent raised from PE/VC.

Source: (Financial Express, 2020)

## VI. CHALLENGES AND SHORTCOMINGS

### A. Late introduction of commerce education in school level

Commerce as a subject is introduced at schools in class 11<sup>th</sup> which is very late to develop interest of student in that particular discipline or subject for further study. The basic concepts of accounting, business studies, entrepreneurship and statistics are introduced very late at school level for students to understand its importance and understand the charm and depth of the subject.

### B. Separation of Management and Commerce as streams of study

Management stream was considered as a part of commerce stream, but in the past years management has evolved as a separate stream of study. Management has been acknowledged and appreciated as a branch with industrial and business relevance, but commerce is considered as an outdated, low-paying and passing the examination course.

**C. Lack of skills and practical exposure**

Commerce students lack in skills and practical knowledge, which is why they fail to survive in the industrial or market pressure unlike engineers who are very much skilled in handling deadlines and pressure through multi-tasking practice.

**D. Outdated syllabus and traditional methods and techniques of teaching**

Commerce teachers are still teaching old and outdated syllabus of subjects like accounting, taxation, corporate laws, etc. at universities in the traditional Chalk and Talk format. The old formats of Balance sheet in accountancy are still being taught in most of the colleges and universities. The students are not exposed to modern methods of teaching like case studies, industrial training, project reports etc. Decades old syllabus is continued to be taught in the colleges without any amendments in the syllabus as per the needs of the industry.

**E. Lack of Employment opportunities for commerce graduates**

Commerce graduate students suffer from lack of employment opportunities as they are skilled as per the requirement of industry. The commerce related job vacancies consider the graduates of other streams like Arts, science and Law also eligible for the various posts which is unfavorable for commerce graduates in the country. Commerce is not a part of early stages of school education system, which is why there is no opportunity for teachers to be employed in lower classes to teach commerce-related subjects.

**F. Liberal rules of discipline**

The Bachelor of commerce in most of the universities is considered as the passing course and students don't attend classes regularly as attendance rules are not strictly imposed. The students prefer going to private tuitions for practical subjects and adhere to books like one week series etc. for the theory subjects which is giving undue rise to coaching centre industry promoting shortcuts over fundamental knowledge.

**VII. REMEDIAL MEASURES AND SUGGESTIONS**

The following can be considered as remedial measures to improve the status of commerce education in the country:



## **A. Teachers need to be trained and update their knowledge with changing scenario**

Teachers should be regularly trained and assessed along with students based on aptitude and practical exposure and they shall be promoted based on their performance, number of classes taken, performance of students in the subjects they teach, etc.

## **B. Application of strict rules and regulations for students to maintain discipline**

- a. The rule of compulsory attendance for students shall be followed by colleges and universities strictly.
- b. Regular assessment and tests shall be taken in order to curb the business of You tube and Whatsapp university which has completely deteriorated the quality of education because of non-professional, incompetent and inefficient teachers who are spreading shortcuts rather than teaching basic concepts as foundation of knowledge to students.
- c. A student who doesn't perform in exam shall be strictly failed. The provision of re-exam or awarding minimum passing marks to students at any level of education shall be abolished. The institute may pass the student on his non-performance during the course of his study, but it makes arrangement for the student to fail in future due to these liberal rules and manipulations in marks.

## **C. Syllabus and assessment pattern needs to be re-oriented and re-designed**

- a. Present commerce education is not covered in professional education domain unlike Management. (Sivakumar & Seenivasan, 2018) Commerce education need to be holistic, targeted and customized with aim to remove the gap that exist between industry requirements and academic curriculum focusing on attitude, corporate awareness, grooming and developing managerial skills. (Bheemashekar, 2019)
- b. The exam pattern of practical subjects should contain more of practical portion than theoretical questions as students tend to attempt theoretical questions in practical subjects also in order to clear the examination by writing long long paragraphs of theory.
- c. Students shall be assessed based on real-life case studies, group discussions, projects, reports preparations etc.

## **D. Introduction of Practical subjects for improving analytical capability of students**

- a. There is a need to introduce mathematics as a subject at college level also. The concepts of algebra, and other topics related to arithmetic calculations like probability, permutation and

combination etc. shall be introduced in the syllabus at under-graduate as well as post-graduate level as a compulsory subject.

- b. Reasoning, Quantitative aptitude, Microsoft office etc. shall be introduced as subjects in order to sharpen the brains of students and make them ready for appearing in the various competitive exams.
- c. Training and hands-on exposure shall be provided to students in order to make them industry-ready. Case studies, fieldwork, assignments, projects, surveys, group discussions, presentations, industrial visits shall be introduced as part of the course curriculum. Seminars and workshops related to research, data analysis and interpretation, reading charts and diagrams shall be introduced to generate industry-ready workforce.

#### **E. Placement and employment opportunities shall be conducted and promoted**

- a. Campus placements shall be introduced for commerce graduates in colleges so that they don't have to struggle for getting employment.
- b. Preference shall be given to commerce students and graduates in subject-related jobs vacancies like Tax officers, Bank PO's, IRS Officers, IES Officers, RBI Officers, auditors etc.
- c. Commerce graduates shall be eligible for appearing in exams like B.Ed. etc. which is not the case currently in many states of India.

#### **F. Other suggestions**

- a. Commerce shall be introduced as a subject in early stages of school level, like in classes 6<sup>th</sup> to 10<sup>th</sup> in order to create awareness and develop interest of students in the subject.
- b. Entry of professional courses in commerce like CA, CS, CWA shall be made than its difficult exit so that students do not waste core years of their student life struggling to clear the exams and get no degree in return.

### **VIII. CONCLUSION**

Commerce education has been one of the oldest streams of education in India. The present study indicates that Government should pay attention towards the serious matter that day by day admissions in commerce stream are decreasing. If the authorities want to boost economic development, then they should train the people in business, and this can happen only through promotion of commerce education. (Jain, 2018). The study suggests various other measures to re-

orient and redesign the commerce education in a way that it will be relevant for the society by removing gaps between the industrial requirements and the academic curriculum.

## IX. REFERENCES

- I. AB, D. V. (2020). Commerce and Mnagaement Education in india: 21st Century. *International Journal of Science and Research, Volume 9, Issue 1, January*, 832-833.
- II. Ahmad, Z., Khan, M. S., & Ahmad, Z. (2018). On the Future of Business Education in Pakistan: A Descriptive Analysis of Courses Included in the Curriculums of Commerce and Business Education. *Bulletin of Education and Research, 40(3)*, 165-185.
- III. Bheemashekar, R. (2019). Issues, Challenges and Implementation of Commerce Education in India. *Journal of Emerging Technologies and Innovative Research (JETIR), Volume 6, Issue 3, March*, 144-150.
- IV. Borpatragohain, A. (2016). Recent Trend in Commerce Education. *Journal of Arts and Social Science| Volume, 1(01)*, 17-19.
- V. Campbell, A. C., & Neff, E. (2020). A systematic review of international higher education scholarships for students from the Global South. *Review of Educational Research, 90(6)*, 824-861.
- VI. Dwivedi, V. J. (2012). Globalization–educaiton in India and methodology of teaching commerce & management. *International Journal of Commerce, Business and Management, 1(3)*, 109-112.
- VII. Dwivedi, V. J. (2012). Globalization–educaiton in India and methodology of teaching commerce & management. *International Journal of Commerce, Business and Management, 1(3)*, 109-112.
- VIII. Gawde, A. (2014). Unexploited Opportunities and Emerging Challenges in the Development of Commerce Education in Mumbai. *Sumedha Journal of Management, 3(3)*, 100-113.
- IX. Ghadoliya, D. M. (2019). Issues and challenges in higher education With special reference to commerce and management education in India. *International Journal of Applied Research Vol. 5(9)*, 85-88.

- X. Jain, D. J. (2018). An Analysis of Commerce Education in India. *Journal of Emerging Technologies and Innovative Research (JETIR)*, 230-237.
- XI. Khan, A. B., Ramanair, J., & Rethinasamy, S. (2023). Perceptions of Pakistani undergraduates and teachers of collaborative learning approaches in learning English. *Journal of Applied Learning and Teaching*, 6(1), 180-197.
- XII. Kokkalki, G. V. (2011). Industry and commerce education—a strength and weakness analysis. *International Journal of Business Economics and Management Research*, 2(7), 195-203.
- XIII. Olafare, E. A., Kehinde, T. M., & Onajaiife, C. A. (2016). The roles of globalization on business education in Nigeria. *Science & Technology*, 2(6), 235-239.
- XIV. Rana, A. (2015). Emerging trends and revitalization of commerce education in India. *International Journal of Research and Analytical Reviews*, 2(1).
- XV. Soomro, B. A., Mangi, S., & Shah, N. (2021). Strategic factors and significance of organizational innovation and organizational learning in organizational performance. *European Journal of Innovation Management*, 24(2), 481-506.
- XVI. Swadia, D. B. (2019). A Study On Current Scenario And Reforms Of Education In Commerce Stream in India. *Think India Journal*, 591-597.
- XVII. Tabasum, H., & Venkatesh, S. (2021). Role of Commerce Education on Growing India's Economy. *Shanlax International Journal of Education*, 9(2), 127-131.
- XVIII. Tabasum, H., & Venkatesh, S. (2021). Role of Commerce Education on Growing India's Economy. *Shanlax International Journal of Education*, 9(2), 127-131.
- XIX. Venkateshwarlu, K., Basha, S. J., & Rao, D. B. (2007). *Methods of Teaching Commerce*. New Delhi: Discovery Publishing House.
- XX. Verma, R. K. (2012). Impact of Globalization in Different Sectors of Commerce in India. *Journal of Commerce and Trade*, 7(1), 23-27.