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## ROLE OF COMMERCE EDUCATION- OUR GROWING INDIA'S ECONOMY

Dr. Mousmi J Bhandari  
M.Com , M .phi , P.h.d

### ABSTRACT :

Education in commerce is crucial to economic expansion. It is one of the keys to success across all economic domains. Because commerce-related activities are also impacted when the business cycle is in good shape, commerce education has gained such significance. Students learn about the business world's environment through commerce education. It makes it possible to see how crucial it is to distort economic ideologies when making business decisions. It makes them aware of issues in politics, the economy, and society. Any business's distribution characteristic is shaped by commerce. Consumption is required; This consumption can be aided by a suitable distribution channel. In addition, by establishing a market for surplus goods, commerce accomplishes this. It has widened the global market and accelerated the exchange process in local markets all over the world in a similar way. It is already established that effective commerce plays a significant role in the country's economic development. The significance of commerce education to India's expanding economy is investigated.

Under the WTO regime, Commerce Education had a significant impact. It is well known that commerce education plays a role in the development of a nation. Only qualitative systemic change can accomplish the goals of commerce education. The product of commerce education ought to be multifaceted and fully competitive on a global scale. However, we must acknowledge that graduates of commerce lack practical knowledge. An age-old requirement is practical-oriented commerce education. With the goal of achieving inclusive growth and sustainability, this paper examines the role that commerce education plays in economic activities (profession, business, employment generation, and entrepreneurship development). It examined the significance of financial management strategies and the role that commerce education plays in agriculture. It also looks at how the Indian business community views commerce education.

**KEYWORDS:** Education in commerce, Indian economic growth, professional roles, and perception.

### INTRODUCTION

The nation's business and development are based on commerce education. A wide range of industries and society are protected by commerce education. Students receive skill-oriented instruction from it. According to Fredrick G. Nicholas, commerce education is a type of training that will contribute to the overall goal of education at any level and has as its primary goals the preparation of individuals for the business career or those who have already entered such a career to render more effective service and to advance from their current levels of employment to higher levels. Commerce is an activity that every business must perform. In short, commerce is the large-scale buying and selling of goods. Commerce is a study of accounts, economics, and business studies all rolled into one. The three pillars of commerce are as follows: There is no business if there is no commerce. Commerce provides the organization with direction, stability, and, most importantly, growth. With the help of balance sheets, journals, ledgers, and other accounting tools, the organization can get a true picture of our business's state. One of the most crucial aspects of business is economics, which teaches businesses how to maximize their short-term profits by making efficient use of limited resources. Knowledge of sales management, HR management, marketing, and other areas is gained through business studies. Because of this, there is no business without commerce. Planning, advertising, manufacturing, and other business-related activities all involve commerce. Occasionally, commerce and business appear to be the same, but they are in some ways distinct.

The term "business" refers to economic activity with the goal of profit. Commerce helps businesses. This indicates that business-related activities are included in commerce. Businesses and commerce both generate profits. Education in commerce is crucial to economic expansion. It is one of the keys to success across all economic domains. Because commerce-related activities are also impacted when the business cycle is in good shape, commerce education has gained such significance. Students learn about the business world's environment through commerce education. It makes it possible to see how crucial it is to distort economic ideologies when making business decisions. It makes them aware of social, economic, and political issues, and commerce contributes to any business's distribution characteristic. Consumption is required; This consumption can be aided by a suitable distribution channel. In addition, by establishing a market for surplus goods, commerce accomplishes this. It has widened the global market and accelerated the exchange process in local markets all over the world in a similar way. It is already established that effective commerce plays a significant role in the country's economic development.

Over a hundred and twenty years ago, Commerce Education in India began. The Trustees of Pachiappa's Charities established the first commercial school in Chennai in 1886 (Mehrotra, 1987). In 1895, the British government established a school of commerce in Kerala (Calicut). The Presidency College in Kolkata began offering commerce classes in 1903 (Mehrotra, 1987). It has expanded dramatically ever since. Numerous universities have established commerce departments. Since 1950 to 1951, there has been an increase in the number of commerce students. The increase in enrollment, from 0.36 lakh in 1950-51 to 14.10 lakh in 2010-11, or 17.2% of the total enrollment in higher education, is significant. In India, enrollment in M.Com. and B.Com. programs has increased over the past 15 years.

A student is exposed to the business world's environment through commerce education. It helps them develop their entrepreneurial skills and prepares them for self-employment. Additionally, it instills practice orientation in the students. They learn how crucial it is to apply economic principles when making business decisions. It makes them aware of business-related social, economic, and political issues. It teaches them to deal with the current market situation and to adjust to it. In addition, it enables them to compete on a global scale. Today, the true objectives of business are profit and customer satisfaction. The knowledge and abilities required to deal with a situation change as society becomes more complex and the economy becomes more industrialized. Therefore, in order to enable students to acquire the desired abilities, course content and combinations must be revised, varied, and made more adaptable. There is a growing demand for well-developed commerce education in Indian universities to support the country's economic development and meet the growing demands of society. However, only liberal and general education has been offered in the name of commerce education. Is that the goal of business education?

### **Commerce Education Vs Business Education**

Business education is distinct from Commerce education in that it can be regarded as education that can meet the needs of business houses. MBAs are preferred by businesses over M.Coms. to M. Com. ICWAs and CAs for their positions as managers. This indicates that, in terms of popularity and acceptability, business education is more important than conventional commerce education.

### **Indian Structure of Commerce Education**

In India, students first choose commerce as a major at the intermediate level, or 10+2, or after 10th grade. One can earn a B.Com. by studying a wide range of subjects at the undergraduate level. A B.Com. can be earned with a general degree or with a major in a specific subject. Hons. For instance, if a candidate chooses to major in accounting at the Bachelor's level, their degree would be a B.Com. Hons.) in Accounting is recognized. The student who performs exceptionally well on the final exam receives distinction.

A candidate may choose to specialize in one or more of the subjects he or she has studied during undergraduate studies as part of postgraduate studies; Business, accounting, finance, and other related fields The degree of Master of Arts (MA) is given in the relevant field. After that, one can pursue research studies such as M.Phil. and Ph.D. Honorary doctorates are given to people who have made significant contributions to specific fields of study or work.

The fact that professional courses are available in commerce sets it apart from more conventional fields like literature and music. Students who want to pursue management studies in the future (after graduation) benefit from having a solid foundation in commerce.

Through specialized departments of commerce, quite a few universities, institutions, and departments worldwide offer programs in commerce. In India, there are over 300 traditional commerce programs offered by universities. In addition, a number of Apex Organizations in India and overseas offer certificates, diplomas, degrees, and other levels of commerce education and training. For admission, universities and professional organizations hold entrance and qualifying tests like the Undergraduate Entrance Test (UGET), Postgraduate Entrance Test (PGET), and so on. However, in some instances, students may also be offered direct admission based on their scores on the most recent qualifying exam.

## RESEARCH METHODOLOGY

The majority of the primary data used in the study come from 150 respondents—120 postgraduate students in commerce, 20 businessmen, and 10 consultants. 40 postgraduate students in commerce from the government were selected using a convenient sampling method. P.G. College Jind, 40 postgraduate students in commerce from S. D. College Panipat, and 40 postgraduate students in commerce from Arya College Panipat in Haryana were selected. The direct interview method and the convenient sampling technique were used to obtain responses regarding the role of commerce education in India's inclusive and sustainable development. The methods of the percentile, the ranking, and the rating have been utilized.

## LITERATURE REVIEW

Pratap and others, (2015) emphasized that through education in commerce; Students are exposed to the business world's outside environment. Additionally, it provides them with direction on how to apply business principles. They gain self-assurance and a positive outlook through their education in commerce. They also mention that graduates of commerce lack practical experience. It ensures better resource management; Additionally, they comprehend the concepts of capital formation, investment, and savings. According to Deswa (2017), the modern approach to commerce education is professional. Industrial and economic advancements have altered commerce education. The development in technology adds a new dimension and cuts down on paperwork. Additionally, they focus more on the educational system. Commerce encompasses all financial transactions and exchanges. However, commerce is necessary for business.

According to Mankar (2016), the quality of a student's education in commerce is necessary for today's employment opportunities. Skills and training are required to keep up with the technological shifts that businesses are experiencing today. They mention in this article that commerce education has developed into a business education. A type of training aimed at preparing students for a career in business is known as commerce education. Options for the future are good in the Commerce stream. Savalia (2014) emphasized the importance of starting commerce education in the classroom. In contrast to commerce, science and the arts offer a variety of specialized courses, whereas commerce only offers accounting and taxation. A lot of students don't know much about their particular fields. Human resources with effective business knowledge are needed to handle all business-related issues as the market expands.

Commerce education was added to the list of professional education by the University Education Commission in 1949, along with education, engineering, technology, law, and other fields. In addition, professional education was defined by the Commission as "the process by which men and women prepare for exacting responsible service with professional spirit." The terms may be limited to preparation for fields requiring high-level knowledge, discipline, and skills.

The widely used expectation model was developed by Rust and Oliver (1984) in their study and includes three dimensions for measuring service quality across all services.

(1993) Desai Armaity: In education, relevance does not come from sitting alone in classrooms and libraries. It comes from face-to-face interaction in the field with our social realities and the challenges they pose to test academic knowledge's parameters.

(1993): The Karnataka Universities Review Commission The University is no longer able to ignore what is going on around it. It is urgently required for university experts to participate actively in resolving industrial development issues.

K. Eresi (1994): Every business school ought to have some kind of memorandum of understanding (MOU) with businesses and industries to help students learn how to handle real-world business situations.

(1995) Swaminathan D.: In the global context of today, the concepts of interaction and interdependence are well-known. This is true even in universities. They ought to get out of their ideas in the ivory tower and interact with the outside world.

Management education and Commerce Education are nothing more than the two branches of business education, according to one (1) study.

Parida and Parida (1996) observed that business education and commerce education take different approaches. "The priority, for the Indian economy is to be for Excellency in business education," they have stated in clear terms. For imparting the same, we have private management institutes and IIMs.

The High-Powered Committee on Restructuring Karnataka's Commerce and Management Courses in 1999: Employers believe that the fundamental issue with commerce education stems from the wide gap between what is taught in the classroom and what is done in business settings.

According to Mahajan and Shah (2000), the ability of business schools in India to produce high-quality products that can satisfy the requirements of the corporate world and the expectations of various stakeholders in business

education has been severely challenged over the course of more than a decade by global competition and the proliferation of business educational institutions worldwide.

Khairiowala and co. al. (2002) believed that business educators needed to better connect universities and industries in order to meet the needs of the market and provide realistic and practical business education.

## OBJECTIVES

- To examine how economic activities can lead to inclusive growth by incorporating commerce education;
- to emphasize the significance of commerce education in transforming the business environment;
- To make appropriate recommendations based on the study's findings.

## HYPOTHESIS

### Perception towards Commerce Education

**H0:** Professionals' perspectives on statements regarding commerce education are comparable to the average level

**H1:** Professionals' perspectives on statements regarding commerce education are not comparable to the average level.

### Role of Commerce Education on Growing Indian Economy

**H0:** Equal distribution of professionals' perceptions of the significance of commerce education to the expanding Indian economy.

**H1:** Professionals' perceptions of the significance of commerce education to the expanding Indian economy are not evenly distributed.

## STATEMENT OF THE PROBLEM

Numerous issues, including global market competition, pose challenges to commerce graduates' education. They don't get a good education, and there aren't enough infrastructure facilities, like well-equipped classrooms with projectors and other modern communication tools like a computer network. The UG and PG syllabuses, which are more theoretical and lack practical knowledge, are theory-oriented. The majority of commerce education institutions in India are supported by grants from the government, but these grants are insufficient to provide adequate learning resources and infrastructure—essential for imparting world-class knowledge to students. In the name of commerce education, only general education is provided, which is ineffective. Many of them are not taking advantage of the opportunities presented by the commerce stream. Students in commerce education are not exposed to the complexities of business and lack employability skills. Many of them are unable to make decisions; they believe that commerce is not the best career path, so they are taking courses in engineering, medicine, or information technology. It is extremely regrettable to report that students from the arts and sciences who lack fundamental business and commerce knowledge are seizing opportunities offered to commerce students. Similar to what we have in the science and arts stream, there is no fundamental subject related to commerce at the school level. Students lack technological skills, which are crucial for the future. Commerce is not gaining prominence like any other sector due to these issues.

## RESEARCH METHODOLOGY

By distributing the questionnaire to 150 professionals in the field of commerce, the study's sample of data was able to collect the necessary data from primary sources. This was done through the use of convenient sampling. Using the SPSS software, the chi-square test, t-test, mean, and standard deviation were applied to the collected data.

## DATA ANALYSIS AND INTERPRETATION

### Hypothesis Testing

#### Hypothesis I

**Null Hypothesis:** The professional opinion regarding statements regarding commerce education is comparable to the average level.

The null hypothesis is rejected at the 1% level of significance for all of the statements regarding Professionals' opinions on Commerce Education because the P-value is less than 0.01. As a result, opinions regarding all statements regarding Professional Commerce Education are below average. According to the mean score, opinions regarding all of the statements regarding Professional Commerce Education are above average. This demonstrates that, by imparting knowledge and skills, commerce education definitely contributes to the transformation of individuals into human resources. By contributing to India's industrial growth and development, it provides growth opportunities. This is because for all industries to function effectively and efficiently, commerce is necessary. As a result, there is a lot of demand for the stream.

## Hypothesis II

**Null Hypothesis:** Because the P-value is less than 0.01, the null hypothesis is rejected at the 1% level of significance. Professionals' perceptions of the role that commerce education plays in the expanding Indian economy are equally distributed. As a result, we can draw the conclusion that professionals' perspectives on the significance of commerce education to the expanding Indian economy are not evenly distributed. The majority of professionals (49.0%) fall into the Moderate level in terms of percentage. Few professionals believe that commerce education has a low impact on expanding India's economy as a result of fewer job openings and increased output. However, many professionals believe that commerce education has a significant impact on expanding India's economy as a result of its large contribution to production and consumption.

## FINDINGS

- It has been discovered that, by providing opportunities in the areas of business, production, and consumption, commerce education plays a significant role in the expansion of the Indian economy.
- It was also discovered that, despite the importance of commerce education, placement rates are quite low due to the high output.

## RESULTS & DISCUSSIONS

A. The role of commerce education in economic activities (profession, business, creating jobs, and entrepreneurship)

According to Table 1, approximately 90% of respondents believe that commerce education would foster a positive attitude among our nation's youth toward economic activities and consider how they can contribute. In addition, 10% of respondents consider starting their own business, and 96% of respondents agree that business education boosts confidence and knowledge. According to a study of commerce, 25% of 120 respondents agree that they believe in self-employment because they are familiar with the various types of businesses, such as sole proprietorships, partnerships, and companies, as well as the procedures for starting these types of businesses. About 80% of respondents agree that acquiring skills in marketing, finance, human resources, and other areas aids in the establishment, growth, and success of SMEs.

**Table1. Contribution of commerce education to the creation of jobs, the growth of entrepreneurship, and the reduction of poverty**

S.No.	Parameters	Impact of commerce education			
		Yes	No	No Response	Total
1.	Change in attitude of youth towards economic activities	108(90%)	12(10%)	-	120 (100%)
2.	Confidence & Knowledge among youth towards economic activities	115(96%)	5(4%)	-	120 (100%)
3.	Courage & motivation to commence own business due to commerce education	10(8%)	48(40%)	62(52%)	120 (100%)
4.	Believe in self-employed due to commerce education	30(25%)	60(50%)	30(25%)	120 (100%)
5.	Development of Small & medium enterprises (SMEs)	80(67%)	28(23%)	12(10%)	120 (100%)

Source: Field survey

## C. PLANNING AND CONTROLLING/BEST UTILIZATION OF THE FINANCIAL RESOURCES

According to Table 2, approximately 88 percent of respondents contend that the concept of time value of money and cost of capital helps them select the best investment opportunities because commerce graduates are aware of the opportunities' costs.

70% of respondents believe that a person, manager, or businessman takes risks at a level he can easily handle because he understands the return trade-off and wealth maximization concept. It prevents profit-seeking avarice, customer exploitation, and promotes corporate social responsibility.

Ninety percent of respondents contend that selecting the best investment proposal increases national income and industrialization because these decisions involve significant and irreversible investments. Additionally, current assets and liabilities can be better managed by business management. He knows how much cash, inventory, and receivables should be. Profitability is increased and input costs are decreased.

Respondents believe that 50% of graduates of commerce are aware of the dividend policy and do not sell their shares if the company keeps the profits from profitable investment opportunities, allowing businesses to raise internal funds.

70% of respondents assert that the mix or ratio in which they raise funds can be chosen by an individual, company, management, or businessman. They discover that equity shares are a better source of financing than debt and equity in the event of the introduction and decline stages of a company's life cycle—depression, boom, cut competition, falling profit—than debt and equity. They will use long-term securities in proportions that maximize the firm's value while minimizing the cost of capital. 98% of respondents believe that business education raises awareness of financing options, including novel options like bridge financing, venture capital, and lease financing, which may provide a solution to the financing issue. Therefore, with the assistance of these resources, a person who has the most profitable ideas can turn them into reality.

79% of respondents believe that receiving a business education would assist them in building their portfolio and managing and controlling it.

**Table 2. demonstrating the role of the financial management tool in maximizing resource utilization**

S.No.	Tools of financial management	Best utilization of financial resources			
		Yes	No	No Response	Total
1.	Time value of money & Cost of capital	106(88%)	12(10%)	2(2%)	120(100%)
2.	Risk return trade-off & wealth maximization	84(70%)	24(20%)	12(10%)	120(100%)
3.	Long-term investment & working capital management decisions	108(90%)	7(6%)	5(4%)	120(100%)
4.	Retention & dividend decisions	60(50%)	36(30%)	24(20%)	120(100%)
5.	Capital structure decision	84(70%)	24(20%)	12(10%)	120(100%)
6.	Sources of finance & Venture capital, Lease financing& Bridge financing	118(98%)	2(2%)	-	120(100%)
7.	Portfolio construction & management	91(79%)	17(14%)	12(10%)	120(100%)

Source: Field Survey

Section-iv: Industry's perception towards commerce education

## FINDINGS

- In order to ensure inclusive growth and sustainability, commerce education can play a significant role in economic activities like the creation of jobs, professions, the development of entrepreneurship, and the reduction of poverty. This is based on the following key factors: optimum utilization of resources, improved management of the factor of production, regional imbalance, alteration in youth attitudes toward economic activities, savings, investment, and capital formation, courage and motivation to start one's own business as a result of commerce education, quality products at lower prices and consumer satisfaction, skilled human resources, expansion of the manufacturing and international trade sectors, management of the business environment, and growth of SMEs In order to guarantee inclusive growth and long-term growth in the county, these parameters serve as a foundation for employment generation, industrialization, and entrepreneurial development.
- Planning and controlling their crops and factors of production, branding, packaging, and value addition, improved marketing of agro-products, warehousing and cool chain, management of production, work measurement techniques, financing planning, cash budget, and improved crop diversification and risk management are all areas in which commerce education plays a significant role in the agriculture sector.
- Commerce education also ensures better management of the dairy, poultry, and fisheries, and small-scale industries, which reduces the agriculture deficit.
- Education in commerce raises awareness of the financial management tools that ensure the best use of a company's, individual's, and nation's financial resources.

## SUGGESTIONS

to enhance the infrastructure and learning resources of commerce education in response to global challenges. Facilities include internet facilities, business labs, overhead projectors, and other communication devices. One of the most important recommendations for commerce education is to provide students with both theoretical and practical knowledge to help them compete in the world. Consultation with industrialists from a variety of fields is preferable when developing the syllabus because it is more relevant, contextual, and industry-oriented.

## CONCLUSION

India's young population is a strategic advantage. The significance of management education has increased under the WTO regime; This indicates significant shifts in India's perception of management and commerce education. As a result, increasing the impact of commerce graduation courses is inevitable. Today, commerce education is confronted with numerous issues. The objectives and content of the course are directly impacted by these issues. As a result, efforts must be made to rethink commerce education so that it remains relevant to today and tomorrow. Our commerce undergraduates and postgraduates have had access to a wide range of opportunities thanks to globalization, which is expected to present challenges for our commerce education in terms of equipping students with a variety of skills to meet the demands of the global job market. Nowadays, every nation's economic system is built on commerce education. Graduates with the potential to take on leadership roles in international business are in high demand worldwide and in India. If the government collaborates with the higher education sector to provide students with high-quality education, India will undoubtedly soon excel in talent management and knowledge management. Our students' global competitiveness may be impacted by providing relevant and practical commerce education. As a result, the significance of commerce education to national development is well known.

India's perception of commerce and management education has significantly changed as a result of the WTO regime's increased emphasis on relevance. As a result, graduation courses in commerce must be made more meaningful and purposeful. Today, Commerce Education is confronted with numerous issues. The objectives, material, and conduct of the course are all directly impacted by these issues.

These issues require serious consideration and careful examination. It is high time to conduct soul searching for an objective evaluation that will serve as the foundation for developing a new strategy to improve commerce education in the coming years. As a result, a concerted effort is required to reorient and redesign commerce education so that it remains relevant for today and tomorrow. Our students' global competitiveness may be impacted by providing relevant and practical Commerce Education. Social awareness among Commerce students is a growing requirement in today's society.

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