

"Commerce and Management Education: Issues and Challenges in India"

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Abstract

India will be a superpower by 2025-30 for sustainable development of the economy and society at large. Commerce and Management is a way ahead for the basic development of all stakeholders in the economy. NEP - 2020 in Higher Education will provide high-quality education to the students which helps to develop the skills, re-skills and up-skills which is essential to become a \$5 trillion economy. The researcher has covered the significance of commerce and management education in India as well as issues and challenges. The NEP-2020 will provide the developmental path for India through commerce and management discipline with interdisciplinary, lifelong learning in HE as per NEP 2020.

Keywords: NEP-2020, Commerce and Management, Education, Issues, Challenges.

1. Introduction:

India will be a superpower by 2025-2030 through sustainable development of the economy and society at large. Commerce and Management is a way ahead for the basic development of all stakeholders in the economy. Education in commerce is considered as the backbone of the nation's business growth and economy. In India, commerce education gained importance during the colonial era when British institutions introduced courses focusing on trade and finance in 1886 with the establishment of a Commercial School in Chennai (Madras). The Sydenham College of Commerce and Economics was established in 1913 and is considered as 1st institution for higher education in commerce (Internet: 27th March 2014). XLRI, FMS, IISWBM are some of the pioneers of management institutions in India that started just after independence, followed by the establishment of IIMs i.e. IIM Calcutta: 13th Nov 1961 and IIM Ahmedabad: Dec 1961. This served as a concrete foundation for the development of business education in India.

Today, India is home to approx. 14,340 commerce colleges and over 11,200 business management colleges being held by public/private ownership. According to studies done by AISHE i.e. All India Survey on Higher Education 2021-2022 under the Ministry of Education, for student enrollment, teachers, and GER, with reference period as an academic session on 2021-2022; revealed that 44.08 Lakhs students enrolled in commerce discipline (UG) which is 13.3% of the total student population within reference year 2021-2022 while 2.7% have enrolled for management discipline (UG). At the PG level enrollment for the management stream is 7.3 Lakhs while commerce is having an enrollment of 5.2 Lakhs. At Ph.D. level, the trend continues as the management stream has 12,577 enrollments against 7112 for commerce among 2,12,474 students in general. From all this scenario it is visible that Commerce and Management is one of the popular and essential disciplines for students among all the recent advances in the field of education along with various issues and challenges.

2. Objectives:

- a. To understand the role of commerce and management education through NEP-2020 in India.
- b. To understand issues and challenges for education in commerce and management in India.

3. Research Methodology:

This paper is conceptual and experience-based. It is based on observation, experience, reading, discussion, NEP-2020 literature review and secondary data from the internet. It is an experience-based contribution therefore no primary data has been collected. This paper has its own limitations and differences of opinion that may occur with other researchers and thinkers. This paper is based on personal opinion, so generalization of the researcher's thoughts is not

advisable. The paper is focused on issues and challenges in the field of commerce and management education on the onset of NEP-2020.

4. Data analysis and interpretation:

A. Role of commerce and management education in India:

Commerce and management education play a pivotal role in today's world, contributing significantly to the development and functioning of various sectors in the global economy. The role of commerce and management education can be understood across several dimensions:

a. Workforce preparation and leadership development: Commerce and management education equip individuals with the knowledge and skills necessary to excel in the business world. Graduates are prepared to take on diverse roles within organizations, ranging from entry-level positions to leadership roles. For this they require a clear understanding of business concepts, financial management, marketing strategies, and human resource practices, making them valuable contributors to the workforce. Commerce and management education contribute to the development of effective leaders. Students learn essential leadership qualities such as strategic thinking, decision-making, communication, and teamwork. These skills are crucial for individuals aspiring to lead teams and organizations in various sectors, including corporate, nonprofit, and government. A report from Times of India dated 28th Oct 2021 stated that “India has the second largest pool of MBAs in the world.” Globally, over 6.1 crore students are believed to have master's degrees approx. 24% of them are from management. India is in 2nd position among the top 10 nations having students pursuing an MBA.

b. Global business understanding and technological adaptability: In an increasingly interconnected world, commerce and management education provide students with a global perspective on business practices. Understanding international markets, for professionals help to deal the complexities of the modern business landscape. Commerce and management education helps individuals stay aware of technological advancements relevant to the business world. As technology advances, professionals with a strong foundation in commerce and management can easily integrate technological innovations for organizational success. The dynamic nature of the business environment requires professionals to be adaptable and open to continuous learning. Commerce and management education sets a mindset of lifelong learning, encouraging individuals to stay informed about industry trends, regulatory changes, and emerging technologies throughout their careers. A report of *The Print* dated 6th March 2023, reviews that as per AICTE's data, 120946 students got placed in the management sector in 2021-2022 after a dip in the previous year due to the pandemic. The percentage of placements has also improved over the years.

c. Entrepreneurship and Innovation: Commerce and management education foster an entrepreneurial mindset, encouraging individuals to think creatively, take calculated risks, and establish their businesses. Entrepreneurial skills are vital in today's dynamic business environment, where innovation and adaptability are key drivers of success.

d. Contribution to Economic Growth: Trained professionals from commerce and management education contribute to economic growth by driving efficiency, productivity, and innovation within organizations. They play a crucial role in creating value, generating revenue, and contributing to the overall development of local and global economies. India has a 3.27% share in the world economy ranking 5th in the world economy, compared to the U.S. (24.4%) and China (15.4%) but we are in 2nd position in population. So, to improve our economic status in the world; India should train available young manpower, which is a demographic dividend of India, through effective implementation of practices of commerce and management in all sectors of economy and business.

B. Issues and Challenges to Commerce and Management Education in India:

a. Outdated curriculum and theoretical emphasis over practical skills: One of the primary challenges in commerce and management education is the slow adaptation of curriculum to match the rapidly evolving business landscape. Many institutions struggle to update their syllabi to incorporate the latest industry trends, technological advancements, and global business practices. This leaves students ill-equipped to face the dynamic challenges of the modern business world. Another prevalent issue is the overemphasis on theoretical knowledge at the expense of practical skills. Many programs focus extensively on theoretical concepts, leaving students with limited exposure to real-world scenarios and practical problem-solving. This gap can hinder graduates when they enter the workforce, as employers increasingly demand practical application of knowledge. A study done by *Dr. Amrik Sudan* and others in July 2017, published in the journal *IJSTM* emphasized lack of quality research at the institutional level which hinders value addition to knowledge.

b. Quality of Faculty and Assessment and Evaluation Methods are questionable: The quality of faculty members is crucial for the success of commerce and management education. However, many institutions face challenges in attracting and retaining experienced professionals with practical industry knowledge. This results in a potential gap between academic teachings and the actual requirements of the corporate world. Traditional assessment methods, such as exams and quizzes, may not adequately measure the diverse skill set required in commerce and management. Institutions need to explore innovative evaluation methods that assess not only theoretical knowledge but also problem-solving abilities, critical thinking, and effective communication skills. (*Sankara Moorthy and et.al. 2022*)

c. Technological integration; lesser sensitivity to Globalization: The rapid integration of technology into business processes poses a significant challenge for commerce and management education. Many institutions struggle to keep pace with technological advancements, leading to a gap between the skills students acquire and the skills demanded by the job market. The lack of technology integration in education also hinders students from developing a strong digital mindset. With the increasing globalization of businesses, there is a growing need for professionals who understand diverse cultures and can navigate the complexities of international markets. However, many commerce and management programs lack a sufficient focus on developing cultural sensitivity and global awareness among students and lack employability skills limiting their ability to operate effectively in a multicultural environment. (*Tuteja, Jan 2015*) Lack of Practical Pedagogical Methods, lack of Training and hands-on experience are some of the prevalent issues also discussed by many researchers like *Tasneem Un Nisa* and *Dr. Manish Kumar Gupta* in *Journal Global Values* published under the special theme “*Indian Economy: New Pathways towards Global Leadership*”

d. Affordability and Accessibility: Access to quality commerce and management education is often limited by affordability and accessibility issues. Many aspiring students, especially those from underprivileged backgrounds, find it challenging to afford quality education. Additionally, rural areas may lack institutions offering commerce and management programs, restricting access for students in those regions. However, subsidies from the government as well as online learning programs have faded up these problems nowadays.

C. NEP-2020 in the perspective of commerce and management:

a. Holistic and Multidisciplinary Approach and Emphasis on Skill Development: The National Education Policy (NEP) 2020 in India aims to bring about significant reforms across various levels of education, including higher education. The impact of the policy is multifaceted, there are several ways in which it may influence commerce and management education. NEP-2020 in Higher Education will provide high-quality education to the students which will help for the development of skills for the hands, thought for the heads, food for the stomach and beauty for the eyes.

b. Flexible Curricular Structure: NEP has multiple entries, multiple exists, ABC, interdisciplinary and multidisciplinary approaches for the development of well-rounded education and diversified skill set for commerce and management students which will help for economic development. The NEP 2020 includes 5+3+3+4 as the vibrant model of education.

c. Promotion of Research, Innovation and Vocational Education: The policy emphasizes the importance of research and innovation in higher education. This could positively impact commerce and management education by encouraging institutions to focus on research activities, fostering innovation in business practices, and promoting an entrepreneurial mindset among students. The establishment of the National Research Foundation could positively impact research and innovation in commerce and management education. This could lead to advancements in business theories, practices, and policies, contributing to the overall growth and development of the field. NEP 2020 promotes the integration of vocational education in higher education. This may open avenues for commerce and management students to engage in practical training, internships, and industry collaborations, enhancing their employability upon graduation.

d. Technological Integration and Development of Quality Faculty and Professionals: NEP 2020 recognizes the role of technology in education thus, it has integration of technology for the development of digital skills. This could better prepare students for the technology-driven aspects of the business. The policy emphasizes faculty quality and encourages hiring of the well-qualified professionals, which could enhance the standard of education by ensuring that educators possess practical industry experience and stay updated with evolving business trends.

e. Globalization: The policy encourages the globalization of education, promoting collaboration with foreign institutions. Commerce and management education may benefit from increased global exposure, allowing students to gain insights into international business practices and enhancing their competitiveness in the global job market.

5. Conclusion:

Commerce and management education serve as a foundation for personal and professional development, preparing skilled individuals for the growth and sustainability of businesses and economies worldwide. However, addressing the issues and challenges in this field is crucial to ensure that graduates are well-prepared for the complexities of the modern business environment. Institutions must actively engage in curriculum reform, embrace technological advancements, enhance practical learning opportunities, and prioritize the development of a diverse skill set. The National Education Policy 2020 is likely to bring about transformative changes in the landscape of commerce and management education in India. The policy's emphasis on flexibility, skill development, research, and inclusivity has the potential to enhance the quality and relevance of education in this field, preparing students to meet the challenges of the evolving global business environment. The researcher is aware of the challenges in the implementation of NEP-2020, but effective implementation is possible through the guidance of authorities with the open and transparent mindset of all stockholders in higher education.

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