

## ACCOUNTING EDUCATION IN INDIA: THE NEED OF THE HOUR

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Vibhu Sharad Pathak\*

### ABSTRACT

*As account is an area of human knowledge that assures planned development and provides safeguards for rational exploitation of public resources, proper education in account can be of great help to achieve the thing of asked socio- economical advancement. In fact, account, as history says, has played a vital part in a country's success story. That fact has led to a global knowledge as to the effectiveness of Accounting education that has restructured the debate of account and no- account into the debate of how important of account should be introduced. One may fluently realise the significance of accounting education in that accountancy finds a place in different classes starting from academy position to post-graduate position in different faculties, including engineering, each over the world. Accounting education throughout the world has assumed an added significance today in view of the globalisation action because account is now astronomically viewed as the process of relating, measuring and communicating economical information to permit informed judgments and opinions by the users of the information. The functions of account are generally related to other parties' demand for information about history, present and future economical conditioning. The ultramodern economical conditioning are characterised by complicated organisational systems the operation whereof calls for a large quantum of quantitative information. The misgivings that are set up in the operations of modern enterprises bear advance planning which has come more and more sophisticated. This study makes an in- depth analysis of the present position of Accounting education in our country in retrospection and prospect and suggests ways and means for enhancement of the same.*

**Keywords:** Information, Globalisation, Organisational, Management, Commercial, Country, Development.

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### Introduction

The part of an accountant in today's society is basically directed towards the operation of public resources. He or she has to play a vital part today in the dimension of productivity, social cost- benefit analysis, pricing opinions, financial policy for economical growth and other affiliated subjects. This is farther reiterated by the fact that indeed in the husbandry- grounded countries stock markets are having a great significance. The world is therefore changing veritably presto. Trade agreements in the European Union and North America, the introduction of Euro, the break- up of the former Soviet Union, the emergence of China as a major economical power, and the marketable development of numerous countries in Southeast Asia and Latin America are a many exemplifications of the forces at work. Within these arising countries, business organisations have to develop internal operation controls that allow them to contend in a world market. Government agencies should work with and regulate this growing market frugality. The rapid-fire social, political, technological and economical changes that are taking place in the world frugality have led to adding recognition of the crucial part that account and accountants in all countries play in the process of economical development. This recognition, in turn, emphasizes the need for quality account education.

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\* Assistant Professor Guest Faculty, Government Kamla Modi Girls College, Neem Ka Thana, Rajasthan, India.

### **Role of Education and Accounting Education in Economic Development**

The journey to economical development accepted by a country has much to depend for its success on the development of human resources. One of the crucial instruments of human resource development (HRD) is education. This direct link between education and economical development exists only when the public education system, both quantitative and qualitative, is duly organised. A system of education which produces a high proportion of competent force is of great backing in adding productivity and promoting economical growth. The argument of producing a high proportion of competent force would succeed if we can identify the areas of knowledge meetly conducive to effect the asked position of development. The globalisation factor has added a farther dimension to the cause of Accounting education. The entire emphasis now-a-days is naturally on total quality operation (TQM). The ideal of TQM is to give stylish possible quality services to the users. Since the information is the end product, the accountants are anticipated to enhance and develop the accountancy profession to enable it to give services of constantly high quality in the environment of renewed global competition. Else the globalisation process would come more a myth than reality in the sense that the poorer quality information would lead to wrong opinions which will eventually reduce the global investors' overall propensity to invest. Therefore Accounting education has a big shot in the arms in the environment of TQM which nearly incontinently follows the changes in global script. The part of an accountant is more important in a developing country than in an industrially developed one. The developing countries like India are constantly seeking to make their husbandry tone- reliant and in this process try to absorb the rearmost inventions in wisdom and technology for faster growth. There's a constant bid in promoting large- scale development of diligence and structure needed for similar diligence. For this purpose they're needed to mobilise all the available resources and put them to the optimum use. Development plans have to be drawn up in advance and the cost of development kept under control. Once the development systems come functional, pricing of the products come critically important to insure that neither the consumer is overcharged nor the investment is denied a reasonable rate of return. Again a plan for the development of a original accountancy profession may need to accord special attention to the education of account scholars in the specific conditions of non-profit public institutions.

### **Objects of Accounting Education**

The history of accounting education in India, though not old compared to other disciplines of knowledge, is a chequered bone. India has been under British rule for about 200 times before she came a autonomous state in 1947. So, education as a total was by and large told by the British system. Accounting education was no exception to that. With the growth of trade and assiduity, the demand for accounting technicians gradationally increased and that paved the way for giving adding attention to Accounting education. Therefore, accounting education in this country owes its origin to the requirements for services anticipated, from trained account people. Accounting education both at the council/ university position and the professional position started its journey since also. Over time the objects of accounting education have experienced changes in tune with changes in the socioeconomic conditions. In substance, it's a nonstop process of developing human resource in keeping with the social requirements. Though the account profession has been rendering useful service to the community in the below-mentioned spheres of exertion in India, there's compass for farther enhancement. These can be achieved by relinquishment of further sophisticated operation ways which are the issues of a good education system. With all its social features like education in other fields, commerce education started a renewed journey after independence. The education system as a whole, and the commerce education in particular, was initiated by the Homeric government with a view to producing pastoral stooges to support and maintain their government. This ideal clearly started changing incontinently after independence. With the changing requirements, it was gradationally felt that commerce education in the university hadn't been designed to meet the need of the time. A new generation was needed to be erected up with applicable education and training to pave the way for industrialisation leading to overall economical substance and stability. Therefore, commerce graduates were also anticipated to play a new part in the development of trade and assiduity. But the real situation was relatively else. So it's apparent that the significance and applicability of commerce vis-a-vis account as a catalyst for development was recognised by that time. The Third Five- Time Plan categorically recognised the need to make up competent directors as one of the crucial tasks before the nation. This is farther apparent in two successive conducts taken by the Government of India. First, it decided in 1952 to introduce accountancy in the classes of civil and other services which was latterly followed by nearly all the also state governments.

### **Application of SWOT Analysis to Indian Accounting Education System**

SWOT ways has been applied to Accounting education system in India with the ultimate view to defining ways for farther development of the strengths, prostrating the sins, utilising the openings and contending the pitfalls.

#### **Strengths**

- Presence of a strong tradition since Account as a subject is deeply embedded in our culture and the education system is fairly relatively old in this country.
- Actuality of a veritably large structure for education since in maturity of Indian universities the subject is being tutored both at postgraduate and undergraduate situations.
- Vacuity of educated and competent faculties in good number.
- Steadily adding enrolments in Commerce vis-a-vis Account. Further brilliant scholars populations now attracted to commerce education.
- High fiscal involvement of the government for the development of the education system.
- UGC's continual efforts for the development of the education system through the way taken like establishing Curriculum Development Centres (CDC), Special Assistance Programmes (SAP), Academic Staff Colleges (ASC), etc.
- Adding number of accounting inquiries.
- Good payment of both the PG and UG preceptors to attract the better bents to the tutoring profession.

#### **Weakness**

- Poor quality of infrastructural facilities.
- Outdated account classes.
- Accounting not yet recognised as a separate academic discipline in utmost of the academic institutions.
- Nearly no compass for practical training.
- Heavy pressure of pupil enrolments frequently throwing the being structure out of gear.
- veritably low schoolteacher- scholars rate
- No compass for effective monitoring within the being system by the state governments and/ or by the UGC.
- No central body for the cause of advancing account education like the Accounting Education Change Commission (AECC) of the USA formed as yet.
- Failure of accounting exploration to guide the real- life developments in diligence and other fields.
- Computers yet to come an integral part of the system.
- Lack of effective collaboration between the universities and the professional account institutes.

#### **Opportunities**

- Essential strength of account as a tool of dimension and analysis. Accounting has now transfused into a number of areas like Economics, Environment, Engineering and Management.
- Possibility of expansion of the accountancy profession in India and abroad due to liberalisation.
- Expanded industrialisation offering the implicit chances for creating better employment openings for the accountants.
- Chance of private capital getting attracted as a effect to liberalisation process to cover up the Infrastructural loopholes.
- Possibility of the government to offer due status to account and toeing the line followed in the advanced part of the globe. 6. Chance of account to get a central position in the tertiary sector.

#### **Threats**

- Government's recent policy to gradationally reduce the position of fiscal participation in advanced education. The Central Government has veritably lately ingrained the government backing of advanced education as a 'non-merit subvention'.

- Accounting education's getting an basically technology- driven area veritably presto each over the globe posing a farther trouble to our traditional system.
- No significant sign of development of meaningful interactive relationship between the academics and Assiduity as yet.
- Job markets getting farther impregnated due to indispensable account courses offered by foreign universities of character as a effect to globalisation.
- Unlike drug, law and some other subjects, no legal recognition as yet offered to the university graduates for rehearsing account as a profession.
- Assiduity's worsening perception about the current account education system in the Indian universities.
- Lack of dissemble demands for the university account graduates.
- Ongoing mode for MBA courses. As a result, stylish of the bents don't generally feel attracted to the advanced account courses.

#### **Role of Government in Commerce Vis-a-Vis Accounting Education**

The purposes of various Commissions formed for enhancement in education were principally to ascertain the direction the advanced education system in the country should follow in response to the changing requirements of the society. What different Commissions in different times have so far suggested is exhaustively general in character. Therefore similar Commissions have been, over all, silent on the account vis-a-vis commerce education system in the country. The Government of India so far has appointed only one Committee at the public position, V.K.R.V. Rao Committee, way back in 1958, to review the matters related to commerce education in the country. Although the University subventions Commission has taken some major way latterly to ameliorate the commerce vis-a-vis account education in the country, it could hardly be ignored that the Rao Committee findings and recommendations still hold some value and applicability, because the UGC efforts have their origin in the path- finding suggestions offered by the Committee. So, it would not be out of environment to go for a detailed discussion of the major compliances made by the Committee. Various panels emphasized that the commerce courses on the universities shouldn't only give the structure for the professional education in account and cost account, but also to produce compass for advanced education in different areas included in the course. The Committee observed that ' what one should anticipate from commerce education isn't the creation of finished products for service in assiduity and commerce, but the imparting of a special bias that, given the farther openings available only through experience, could make the holder fit for reaching the loftiest position in the world of business<sup>10</sup>. The Committee also reiterated that commerce education of universities shouldn't be a contender of the courses offered by leading professional institutes. Its part should be reciprocal, rather. The Committee editorialized in favour of a general B.Com. course without honors though it didn't note roughly against the honors courses formerly introduced, while it was in favour of a largely specialised M.Com course to be designed in such a way as to give the weightage to both abstract and practical aspects. In its opinion, good M.Com scholars would be needed not only to pursue exploration but also to accept tutoring positions in sodalities and universities, numerous of which had been introducing commerce in adding number.

#### **The Responsibility for Proficiency in Accounting Education**

Majority of people suppose that university account academics would be of 'some backing' in working the real life business problems. But when asked whether they've ever consulted a university academic in working business problems, all the repliers (100) answered in the negative. Is this due to lack of credibility on the part of the account preceptors or for constraints prevailing in trade & assiduity? For the former, the account academics through sustained and quality work have to establish the credibility which cannot be done overnight. At the same time the professional accountants should come out with their business problems for discussion to have a real result. They should also flash back that exploration conditioning in academic institutions and practices in trade & assiduity are reciprocal to each other. One cannot flourish without reasonable support from the other. In 55 of the cases it's set up that the assiduity directors have no association with universities. The rest of 45 cases indicate that they've association only in the capacities of part- time or guest faculty. It appears that the university- assiduity bond needs to be farther consolidated in order to bring about change in the account education script.

## Conclusion

In conclusion it may be said that the university- assiduity commerce is far from what's generally anticipated. An effective education system, particularly an operation- acquainted subject like accountancy, would be more effective had there been better collaboration between the academics and the trade & assiduity. The opinion check results have stressed this. It's relatively apparent that the university account education has to go a long way to ameliorate the position of collaboration. But this is also a fact that the trade & assiduity should come forward to stretch their helping hands. The apathy of the trade & assiduity towards university products clearly has not developed overnight. So numerous factors might be responsible for such a station. But when the university departmental heads were asked the same question as to the standard of university graduates in relation to the chartered and cost accountants, it's worth noting that maturity of them have also given the same answer. While giving the suggestion for perfecting the university account education system, all the repliers from assiduity editorialized in favour of introducing practical training for the university scholars. This is quite a redoubtable task to apply in view of resource constraints. Still, a day may be made by at least a journal visit to manufactories and services with small group of scholars. The trade & assiduity may also finance, incompletely or completely, forums or other events so as to bring about an enhancement in situation.

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