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Future Dimensions of Accounting Education in India

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A B S T R A C T

The Accounting education in India had touched the new height in recent years. Many students are opting this course to make their career in Corporate and government sector. Accounting as core paper has been imparted to the students in Higher Secondary, Graduation and Post Graduation level of different Universities of the country. But, many students are not able to make the application of accounting education in their real working field. So, it is desirable on the part of the educational institutions not only provide Accounting education as a feedback for the students for other professional institutions like ICAI, ICWA and ACA but also take as challenge so that more employability can be created for the students of accounting education of our country. With the emerging scenario, the Accounting education should not be restricted with the traditional teaching subjects like Management Accounting, Cost Accounting and Financial Accounting, rather it should be replaced with E-Commerce and software based Accounting curriculum. This can enable the students of Accounting education to be more professional in their carrier. The present study is based on the objectives of Accounting education to be effective in order to face future challenges of global economy in the field of business and industry.

Introduction

The Accounting education in India is provided as part of commerce stream in secondary, graduation and post graduation level of different educational institutions. But, in the changing scenario particularly in globalization and liberalization era the business and industry have to face many

challenges like stiff competitions, technological up gradation, cost reduction, improvement in quality, customer satisfaction and outsourcing technique. So, till today the accounting education in India has not been upgraded to that level in order to face those challenges. Rather, it is

confined with only a feedback system to the professional institutions like ICAI, ICWA and ICSI. Hence, the purpose of accounting education has not been fulfilled to meet the requirements of present business and industry.

The entrepreneurs and the business man of our country follow an accounting procedures in order to meet different government and legal formalities. So, they have lot of expectations from the accounting professionals which should enable them in order to arrive at managerial decision making process. In this context, the educational institutions of country like India have realized that there is an urgent need to update the accounting curriculum in order to the more appropriate for the requirement of the modern business enterprise.

India being a developing country looking for opting globalization and liberalization policy in order to uplift economic development. So, the accounting education should be tune up to that extent in order to face the challenges of liberalization for industry and business. Computerized accounts and introduction of E-Commerce has changed the role of commerce education as well as accounting procedures to a great extent.

Hence, in future the accounting education curriculum should be updated in order to face the challenges of information technology. Otherwise the accounting education in India will be remaining in the same traditional level since its inception from pre-independence era. Therefore, it is the right time for the researcher of accounting education to come forward and think over regarding the up-gradation of accounting education to meet the future improved dimensions of business and industry of India.

Objectives of the study

The present study is based on the following objectives.

1. To highlight the need of Accounting education in India.
2. To know the present position of accounting curriculum in Indian educational and professional Institutions .
3. To discuss the importance of policy implementations in Accounting educations of India.
4. To find out the importance and role of Accounting research in India.

Literature review

American Institute of certified public accountants has recognized the importance of accounting education as a necessity for economic and political development of a nation. Accordingly, the accounting education plays an important role for not only the requirement of industry and business but a milestone for social, political and economic development.

Indian Accounting education system is based on double entry system of book keeping which was earlier introduced by many developed countries like Japan, Italy and United Kingdom. Till today, the art of recording, classifying and summarizing the monetary transactions of business and industry. The results thereof after the end of a financial year are considered as the process of accounting education of India.

The first commerce education was started in the year 1886 in School of Madras which was established by a charitable trust. This was the foundation of Commerce and Accounting education of India till the School of Commerce was established by

the government of India in the Presidency college of Kolkata in 1903. Till this date, the commerce education was limited with under graduate level. In the year 1913, college of commerce and economics was established in Mumbai in order to impart accounting education in Post graduate level. Since then almost all the educational institutions are imparting accounting education in their graduation and post graduation level.

In the year 1999, the professional bodies like ICWA, ICAI and ICSI considered accounting education as an important source in order to develop professionals in India in the field of business and industry. Accordingly, these professional bodies established their own educational institutions to provide accounting education in India.

The American Accounting Association with the collaboration of American Marketing Association has introduced some of the commerce and accounting course curriculum in order to upgrade the working efficiency of professional accountants so that the customer satisfaction will be the focal point of marketing organizations.

The British University has recognized the communication skill of the Accountants which can be imparted and developed through Accounting education curriculum so that it will help the professional Accountants to compete with other professional Accountants nationally and globally.

The Rehman Saha committee has pointed out that Accounting Education can be more object oriented when more and more Accounting research areas can be find out by both educational institutions and professional bodies. This will help the business and industry of India to facilitate liberalization and globalization.

Research methodology

This study is based on secondary data derived from various journals, published materials, books and UGC rules and guidelines. Different course curriculums of Accounting Education has been derived from published manuals of Universities and other educational and professional institutions.

Relevance of the study

The present study is related to the future dimensions of Accounting education in emerging scenario of business and industry. Accordingly, accounting education as a branch of commerce curriculum should be up-graded in order to meet the challenges of globalization. In this context, the Accounting education imparted by different educational and professional education are not sufficient enough. So, this study aims to highlight the change curriculum of Accounting education which will not only help the professional accountants but also improve the economic condition of India. More and more research oriented course curriculum should be introduced in Accounting Education which will facilitates the professional bodies in order to utilize proper Accounting procedures in taxation and legal matters. Hence, this study seems to be relevant on the ground of change of Accounting education in order to cope with the changing business and industrial scenario of India. Technological Development in the field of information technology pose a threat to Accounting procedures which can be fit with the present status of business environment. Hence, change in Accounting education will make a revolutionary change in national and international business and industry.

Limitation of the study

The present study suffers from the following limitations:

- 1) The study is based on the secondary data. No primary data has been utilized for a meaningful conclusion.
- 2) The course curriculum taken in this study are not uniform in character. Some of the autonomous educational institutions impart different type of Accounting education in different level.
- 3) The professional institutions impart Accounting education according to their requirement. No consultation with industry has been made prior to finalization of course curriculum for the professionals.
- 4) Industrial organizations are not taken into consideration in this study.

Overview of accounting education

Since Independence, the pre-dominated commerce education is a stream like Arts and Science. Later on in 1990s Accounting education considered to be a branch of commerce education. In India, Accounting course curriculum is a dominant feature for all educational and professional institutions. This Accounting curriculum is provided to the students both in senior secondary, Graduate and Post Graduate level. The professional institutions provide Accounting education to professionals.

There is a gap between the passing out students of educational institutions and professional institutions. The quality of professionals in Accounting education is more superior than the quality of students from educational institutions relating to Accounting education. However, the Accounting education is only restricted with the requirements of lower level and middle level accountants of business enterprise. Keeping in view, in the

emerging challenges of business and industry, there is a demand to restructure the course curriculum of Accounting education in India. At the same time, less scope has been provided for research and development activities of Accounting education in Indian Universities. Only B. Com in graduation level, M. Com in post graduation level and MFC in professional level serve the purpose of Accounting education in India.

The students of M. Com level has been influenced or motivated towards a teaching career while the passing out of MFC students are interested as Accounting professionals in private and public sector undertakings. This limitation does not solve the purpose of Accounting education in the changing scenario of industry and business. Financial Management, Banking, Taxation, International finance, Corporate Accounts are some of the specialized course of Accounting education provided by different Universities in order to fulfill the demand of traditional business entrepreneurs. Lack of coordination between industry and academic professionals suffers a lot to upgrade Accounting curriculum to meet the requirement of changing situations in emerging dimension. There should be a scope for industry-institution interface for Accounting education so that the professional accountants as well as the students of Accounting education can compete with the liberalization and globalization scenario of business and industry. Then only the purpose of Accounting education can be evaluated properly in India.

The problem of Accounting education in India is most of the traditional Universities do not attach more importance towards research and development activities of Accounting education. As a result Accounting education suffers emergence of

new dimensions and new innovation in Accounting Technology. This situation has embarrassed a lot for growth and development of industry and commerce in India. This affects indirectly to the economic development of our country.

Accounting curriculum of different universities & professional institutions

By analyzing the accounting curriculum of some of the Universities which provide commerce education in India, it has been observed that almost all the educational institutions taught Accountancy as a single course in the main stream. Whereas other courses like Management, Law, Taxation, Banking, Insurance, Economics, Organization Behavior and some related courses are also imparted. There is no specialization in Accounting course curriculum which is being offered by these educational institutions both in graduation and post graduation level. Only some of the professional institutions offered specialized Accounting course in their professional level.

So far as teaching methodology is concerned accounting education is restricted only class room teaching as well as solving of numerical problems. This practice lacks up-gradation of technology in effective teaching of Accounting education. This traditional system of teaching can be replaced with case studies, market surveys, group assignments, audio video techniques, teaching aids through projects, computerized accounting procedures so that the students of accounting education can be well versed with professional accounting system. It has been observed that almost all the educational institutions of India do not provide scope of Accounting research to their students. As a result, new innovation in the field of Accounting is considered to

be a difficult aspect for Accounting professionals. The course curriculum in Accounting education should be restructured so that research and development activities in the field of Accounting will be a major potential.

So far as professional institution are concerned Accounting education is imparted to the professionals in foundation, intermediate and final stage. It has been observed that some of the accounting courses which are offered in foundation level are not necessarily imparted in either intermediate or final level. Similarly, the accounting courses which are offered in intermediate and final level are not offered in foundation level. This indicates the accounting curriculum is not a continuous process for the professionals in each level of their professional career. On the other hand, software based accounting system is not a course curriculum for the professionals in professional institutions. Hence, it is desirable to look into the matter and find out an appropriate solutions in order to make our professionals expert in software and other related area.

It has been analyzed that none of the professional institutions are giving emphasis on Accounting education in the field of research and development. A serious thinking should be made how to promote Accounting education in the field of research by the professional institutions in India.

Conclusion and suggestion

Accounting education is the core stream in business and industry. So, all the educational institutions must have to provide specialized Accounting education in both under graduation and graduation level.

Table.1 Course curriculum of Accounting Education offered by Educational Institutions & Universities

Name of the Course	Sr. Secondary Level	Graduation Level	Post Graduation Level	Research Level (Ph. D/PDF)
Industrial Organization & Management	NO	YES	NO	NO
Financial Accounting	NO	YES	YES	NO
Banking & Financial Systems	YES	NO	NO	NO
Quantitative Techniques	NO	YES	YES	YES
Corporate Accounting	NO	YES	YES	NO
Cost and Management Accounting	NO	YES	YES	NO
Cost Control Techniques	NO	YES	YES	NO
Advance Management Accounting	NO	NO	YES	NO
Computer Application in Accounting	NO	NO	YES	NO
Accounting for Managerial Decisions	NO	NO	YES	NO
Advance Financial Management	NO	NO	YES	NO
E-Commerce	NO	YES	YES	YES
Investment Accounting	NO	YES	YES	NO
Management of Financial Services	NO	NO	YES	YES
Accounting of Financial Institutions	NO	YES	YES	NO

The professional institutions though impart Accounting education should have to follow a uniform course curriculum so that it will help the professionals to face the emerging changing scenario.

The Accounting specialists from different Universities should be consulted in order to upgrade the Accounting education in different educational institution prior to commencement of course curriculum so that an uniform course curriculum can be prevailed in Accounting education of India.

The restructuring of Accounting education is a priority so that it can be utilized by the Accounting professionals from the primary level in order to compete in globalized scenario.

Some specialization courses should be introduced in Accounting education in order to face the emerging challenges of business and industry in this liberalization era.

Table.2 Course curriculum of Accounting Education offered by Professional Institutions

Courses Offered	Professional Bodies	Foundation Level	Intermediate Level	Final Level	Research Level (Ph. D/PDF)
Fundamentals of Accounting	ICAI	YES	NO	NO	NO
Advance Accounting	ICAI	NO	YES	YES	NO
Cost Accounting	ICAI	NO	YES	NO	NO
Management Accounting and Financial analysis	ICAI	NO	NO	YES	NO
Quantitative Techniques	ICAI	NO	NO	YES	NO
Direct and Indirect Tax	ICAI	NO	NO	YES	NO
Income Tax and Central Sales Tax	ICAI	NO	YES	NO	NO
Fundamentals of Financial Accounting	ICWA	YES	NO	NO	NO
Cost and Management Accounting	ICWA	YES	NO	NO	NO
Management Performance Accounting	ICWA	NO	YES	NO	NO
Advance Financial Accounting	ICWA	NO	YES	NO	NO
Quantitative Methods	ICWA	NO	YES	NO	NO
Advance Financial Management and International Finance	ICWA	NO	No	YES	NO
Strategic Tax Management	ICWA	NO	NO	YES	NO
Management Accounting- Decision Making & Financial strategy	ICWA	NO	NO	YES	NO
Financial Accounting	ICSI	YES	NO	NO	NO
Company Accounts	ICSI	NO	YES	NO	NO
Cost and Management Accounting	ICSI	NO	YES	NO	NO
Legal and Financial Work	ICSI	NO	No	YES	NO

There should be an industry and institution interface in order to upgrade Accounting education in India so that the students of Accounting education can be more professional in character which can create employability.

The Accounting education course curriculum should be restructured in such a manner so that a student of sr. secondary school can be eligible to take any type of professional course in Accounting line in order to be efficient in business and industry.

More emphasis should be given in research and development activity in Accounting education both in educational and professional institutions.

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