

CURRICULUM PLANNING FOR BUSINESS ADMINISTRATION: SPECIALIZED PROGRAMS

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This article is the second of a series of two articles discussing curriculum planning for Business Administration. The first article discussed the basic curriculum for business administration and suggested several areas of basic knowledge which would provide a board foundation for study in various specialized areas of business administration. This article will discuss the need for specialized training and suggest courses which might be included in the specialized programs.

The idea of specialized curricula, or major areas of study is based on the concept of individual differences between people. People are not all equally well qualified to perform the same tasks or jobs, nor do they all have the same interests.

Some people may have a primary interest and their talents may lie in a career of accounting work. Other people may be more suited for careers in marketing, and still others may be more suited for careers in production of goods. Likewise, many people will be more suited to banking, or to insurances.

It seems only reasonable that the educational system provide opportunities for talented people to develop in their chosen area of interest and competence. This concept becomes quite clear when one looks at a university with its various faculties. Universities have various specialized faculties such as a faculty of law, a faculty of medicin, a faculty of arts and letters etc. It is suggested that the same idea should be carried to a lower level and that the general field of business administration be divided according to specialized areas of business endeavor and curricula for each these areas be established.

Another good reason for establishing and developing areas of specialized education in the field business administration is that the world we live in is becoming more and more complex each day. With increasing complexity comes the need for more and more specialization. As economics develop, economic activities tend to be divided and sub-divided, and each division requires a somewhat different area of specialized knowledge. Only the education system can provide people trained in the various areas of specialized knowledge in the quantities necessary to satisfy the demands of a rapidly expanding and developing national economy.

Emphasis on training in business administration and economics should focus on specialization rather than standardization. This does not mean that there is not a standard body of knowledge which all graduates of business administration. On the contrary, a standard body of knowledge should be contained in the basic curriculum and every student of business administration should be required to take the basic courses. It does mean that specialized areas of study of a professional nature should be established which will allow the student to develop his talents and abilities to the fullest extent, and thus make the maximum contribution to economic development. Therefore the critical question is not whether there should be specialization of a professional nature in a business administration curriculum. Rather the question should be how much and what kind of specialization should be offered.

A fruitful way of answering the question of what kinds of specialized programs should be offered in a business curriculum is to look at the way economic enterprises divide their efforts. Truly specialized areas of study can then be developed around organizational divisions. Three major divisions of activity are common to all enterprises. These are: (1) production, (2) marketing, and (3) accounting and finance. In all but the very small enterprises, people are required who have specialized knowledge in each of these areas.

Production :

The term production is most often associated with the idea of manufacture or creation of physical goods. A little reflection,

however, leads one to acknowledge that the sole justification for any economic activity is the production of something—either goods or services. It is easy to think of production activities when one considers firms engaged in the manufacture of textiles or cement. But it is more difficult to think of production as a basic enterprise activity when one considers railroads, airlines, or hospitals. Yet each of these enterprises must be concerned with production of services.

Another difficulty that arises when discussing the field of production as a valid area of specialization to be included in a business administration curriculum is that the terms production and engineering are often considered to be synonymous. While much of the knowledge and many techniques used in production management comes from engineering, it does not automatically follow that a good production manager must be first and foremost an engineer.

Training of engineers, of course, should be left to engineering faculties. Nevertheless, there are many courses of an engineering nature which, in combination with other courses, lend themselves to an area of specialized knowledge in production management. And the area of production management is a legitimate area of specialization to include in a business administration curriculum. The distinction between what is taught in an engineering curriculum and a business administration curriculum revolves around where emphasis is placed. Engineering curricula, by and large, concentrate on techniques themselves, while a business administration curricula should concentrate on the application of industrial engineering techniques to business problems.

Courses which might be included in a production management specialization could be selected from among the following group:

- General Production Management
- Motion and Time Study
- Work Simplification
- Systems Analysis
- Cost Accounting
- Purchasing and Inventory Control

Production Planning
Materials Handling
Control Techniques.

The above courses are not intended to represent a complete and exhaustive list of courses to make up a production management specialization. Rather this list should be considered only as a list of suggested courses which **might** be appropriate.

Marketing :

In general, marketing is the study of the distribution of goods and services, touching on overall theory but concentrating mainly on description and analysis of the many ramifications of the distribution system. Marketing, perhaps more than any other functional diversion of business activity lends itself to a variety of specialized areas. Industrial goods are not marketed in the same way as consumer good, nor are services marketed in the same way as textiles. Beyond the fundamentals of marketing which are common to all distribution effort, the field divides into as many segments as there are aspects of the distribution system. The choice of courses to include in a marketing program may well be determined by local needs. One geographical area may need specialists in distribution of agricultural products, while another area may need specialists in distribution of industrial goods. Typical of the kinds of courses often found in marketing curricula are the following:

Price Policy and Market Organization
Market Research
Market Communication
Theory and Analysis of Consumer Markets
Retail Store Management
Advertising
Sales Management
International Trade
Advertising Policies
Wholesaling
Agricultural Marketing

Accounting and Finance:

Accounting is one of the oldest fields of formal training in business. There were schools of commerce centered around accounting instruction long before there were schools of business administration. Accounting has long had more of the aspects of a true profession than any other area of emphasis in business administration.

Today, in many parts of the world, accounting is divided into two professions. One of these is the firm accountant and the other is the public accountant. As countries expand and develop economically, as business enterprises become larger, and as tax structure and laws become more complex, the need for the public accountant increases. The profession of public accountant differs in many respects from its companion profession the firm accountant. There is a public responsibility involved; a holding out of an acceptable level of competence, a quality of public trust. These are matters which are appropriately subject to license and to examinations or other requirements. Associations and codes of professional ethics necessarily follow.

On the other hand, the firm accountant faces a somewhat different set of circumstances. His work is more specialized in that his main activities revolve around providing information upon which management may base decisions. He moves into tax and finance problems but only to the extent that such problems are specific to that one business.

Therefore, accounting curricula in business administration should provide not only a unified body basic accounting knowledge but also sufficient flexibility in course offerings to allow the student to choose between as specialization in public accounting of private accounting.

In developing countries there may be little demand for a public accounting function beyond the purpose of audit and certification of records. But as development continues the functions of the public account are bound to expand to include business consulting in a variety of areas such as taxation and business finance. Institutions of higher learning that are trying to keep ab-

rest of changing needs should surely begin to plan for a specialized group of courses in public accounting. Courses which are typical in a major area of specialization in accounting are:

- Intermediate Accounting
- Cost Accounting
- Income Tax Accounting
- Auditing
- Governmental Accounting
- Managerial Cost Accounting
- Accounting Information Systems
- Advanced Accounting

Other Areas of Specialization

The preceding three areas of specialization are based on the three fundamental functions common to all economic enterprises. These are often known organizationally as line functions which are distinguished from staff functions. Staff functions, however, also call for a body of specialized knowledge which may form the basis for specialized areas of education. Two of these functions are **Personnel Management** and **Labor Relations**. Personnel Management with its problems of employee selection, training, wage and salary administration, employee benefits, etc., calls for specialists to perform these functions. Similarly, as collective bargaining, and labor contract administration become more sophisticated, specialized talents will need to be developed in these areas, as well as in the whole area labor law.

There is also some justification for establishing specialized areas of education according to some industries. Banking, Real Estate, Insurance and Tourism seem to be the most common. Each of these industries is sufficiently unique to call for specialized education.

General Business:

One other concept of business education should be touched upon. The establishment of specialized curriculum in business administration based on functional divisions of business is based on the concept that graduates will move into large government agen-

cies or into business enterprises. Large enough to have separate departments for each activity. The further assumption is that there will be a demand for specialists. These assumptions are only partly valid. Many graduates will move into small and very small enterprises where he will be called upon to make a great variety of operating decisions. Therefore, it follows that he should have broad training in several aspects of business. Many institutions of higher learning offering studies in business administration recognize this and attempt to solve the problem by offering a major which cuts across all other areas of specialization. While this does not produce specialists, it produces graduates who are knowledgeable in most of the areas in which business decisions must be made.