



A STUDY ON THE IMPACT OF ON-THE-JOB TRAINING ON ACCOUNTING AND TAXATION PRACTICES

Sanskruti Newale, Siddhi Satav, Prerana Chavan, H. R. Kulkarni, Rashmi Sinha*

G. H. Rasoni College of Arts, Commerce and Science, Wagholi, Pune, Maharashtra, India.

*Author For Correspondence Email: rashmiriteshkumar@gmail.com

ABSTRACT

On-the-Job Training (OJT) plays a crucial role in bridging the gap between theoretical knowledge and practical application, especially in professional courses such as commerce and accounting. The present study examines the impact of On-the-Job Training on the development of accounting, taxation, and professional skills among commerce students. The study is based on secondary data collected from training reports, organizational records, and academic sources. Statistical tools such as percentage analysis, trend analysis, and graphical representation have been used to analyse the data. The findings reveal that practical exposure through OJT significantly enhances accounting accuracy, compliance with statutory requirements, and professional competence. The study concludes that structured practical training is essential for improving employability and work readiness of commerce students.

Keywords: On-the-Job Training, Accounting Practices, Taxation, Practical Exposure, Skill Development

1. INTRODUCTION

In the rapidly changing business environment, academic knowledge alone is insufficient to meet the professional requirements of the corporate world. Employers increasingly seek graduates who possess not only theoretical understanding but also practical skills, problem-solving ability, and professional competence. In this context, On-the-Job Training (OJT) has emerged as an effective method of experiential learning, enabling students to apply classroom knowledge in real-world situations.

On-the-Job Training provides hands-on exposure to actual business operations, accounting systems, and statutory compliance procedures. For commerce students, particularly those specializing in accounting and taxation, practical training offers valuable insight into areas such as bookkeeping, preparation of financial statements, Goods and Services Tax (GST), Income Tax returns, and audit procedures. Such exposure helps students understand the practical implications of accounting standards and tax laws.

The integration of OJT into academic curriculum enhances employability by developing technical skills, professional attitude, and workplace discipline. It also familiarizes students with organizational culture,

teamwork, and ethical practices. Recognizing these benefits, many universities have made practical training a mandatory component of commerce education.

The present study aims to evaluate the role of On-the-Job Training in strengthening accounting and taxation practices and to assess its contribution towards overall professional development of students.

2. REVIEW OF LITERATURE

Several studies have highlighted the importance of practical training in professional education. Kolb (1984) emphasized experiential learning as a powerful approach to skill development. According to him, learning becomes more effective when students actively engage in real-life tasks.

Rao (2010) observed that students undergoing industrial training show better understanding of accounting concepts compared to those with only theoretical exposure. Sharma (2015) found that practical training improves accuracy in accounting records and compliance with tax regulations.

Gupta and Mehta (2018) concluded that On-the-Job Training significantly enhances employability skills such as communication, problem-solving, and decision-making. Recent studies also indicate that practical exposure helps students adapt quickly to workplace demands and reduces the training cost for employers.

The existing literature clearly supports the need for structured practical training as an integral part of commerce education.

3. OBJECTIVES OF THE STUDY

The present study has been undertaken with the following detailed objectives:

1. To understand the concept, structure, and significance of On-the-Job Training (OJT) in the context of commerce and professional education.
2. To examine the role of OJT in enhancing practical knowledge of accounting practices, including journal entries, ledger posting, trial balance, and preparation of final accounts.
3. To analyse the impact of On-the-Job Training on taxation practices, particularly with reference to Goods and Services Tax (GST), Income Tax return filing, and statutory compliance.
4. To evaluate the extent to which OJT helps in improving accounting accuracy and error reduction in real business transactions.
5. To assess the contribution of OJT towards the development of professional skills such as communication, teamwork, time management, and workplace ethics.
6. To study the effectiveness of practical exposure in bridging the gap between theoretical learning and real-world business applications.
7. To examine the influence of OJT on students' confidence, decision-making ability, and problem-solving skills in a professional environment.

4. HYPOTHESIS OF THE STUDY

- **H₀₁:** On-the-Job Training does not significantly improve accounting practices.

- **H₁₁:** On-the-Job Training significantly improves accounting practices.
- **H₀₂:** On-the-Job Training has no significant impact on taxation and statutory compliance.
- **H₁₂:** On-the-Job Training has a significant impact on taxation and statutory compliance.

5. RESEARCH METHODOLOGY

Research methodology refers to the systematic framework used to conduct a study and obtain reliable and valid results. It explains the techniques and processes employed for collecting, analyzing, and interpreting data to achieve the research objectives. The present study examines the impact of On-the-Job Training (OJT) on accounting and taxation practices and professional skill development among commerce students.

5.1 Research Design

The study adopts a **descriptive and analytical research design**. The descriptive aspect focuses on detailing the procedures, activities, and learning outcomes during the OJT period, while the analytical aspect examines the impact of practical exposure on accounting accuracy, taxation compliance, and professional competence. This approach ensures a comprehensive understanding of both qualitative and quantitative aspects of OJT.

5.2 Nature of the Study

The nature of this study is **empirical and applied**, as it relies on observation and real-world exposure rather than purely theoretical constructs. The research emphasizes practical experience in a professional environment, making it suitable for evaluating the effectiveness of OJT in developing accounting and taxation skills.

5.3 Sources of Data

The study is based on **both primary and secondary data sources**, though the emphasis is on practical observations.

- **Primary Data:**

Primary data was collected during the OJT period through direct participation in accounting, GST, Income Tax, and audit activities. Interaction with supervisors, Chartered Accountants, and staff provided insights into real-world professional practices, compliance mechanisms, and organizational workflows.

- **Secondary Data:**

Secondary data was collected from official records, training reports, textbooks, research journals, and government websites, including the GST portal and Income Tax Department portal. These sources provided contextual information on statutory requirements, accounting standards, and industry practices.

5.4 Sampling Method

The study used a **convenience sampling method**. The sample comprises the practical assignments, accounts, and tax-related work handled during the OJT period at the selected Chartered Accountancy firm. This method was suitable given the scope and objectives of the study, allowing for focused observation of relevant accounting and taxation activities.

5.5 Tools and Techniques for Analysis

To analyze the collected data, the following tools and techniques were employed:

- **Percentage Analysis:** To measure the proportion of exposure in different functional areas such as accounting, GST compliance, and income tax filing.
- **Tabular Representation:** To summarize key observations, trends, and skill development outcomes.
- **Graphical Representation:** Bar charts and pie charts were used to visually represent the distribution of practical exposure and skill improvement.
- **Descriptive Analysis:** To interpret the impact of OJT on accounting accuracy, taxation compliance, and professional competence.

5.6 Period of Study

The study was conducted over a period of **three months**, during which the researcher participated in the firm's day-to-day accounting, taxation, and audit activities. This period was adequate to provide significant exposure and allow meaningful analysis of learning outcomes.

5.7 Limitations of the Methodology

Despite following a systematic methodology, the study has certain limitations:

1. The findings are based on a single Chartered Accountancy firm, which may limit generalizability.
2. The study relies partly on secondary data from reports and publications.
3. The period of OJT was limited to three months, which may not capture long-term learning outcomes.
4. The sample was selected through convenience sampling, which may introduce some bias.

6. DATA ANALYSIS AND DATA REPRESENTATION

Table 6.1: Areas of Practical Exposure during OJT

Area	Percentage (%)
Accounting Entries	35
GST Compliance	30
Income Tax Filing	20

Interpretation:

The table indicates that maximum exposure was received in accounting and GST-related activities, highlighting the practical relevance of OJT.

Table 6.2: Skill Improvement after OJT

Skill Area	Improvement Level
Accounting Accuracy	High
Tax Compliance Knowledge	High
Professional Confidence	Moderate
Communication Skills	Moderate

Interpretation:

The analysis shows significant improvement in technical skills, particularly in accounting and taxation.

7. FINDINGS OF THE STUDY

Based on the analysis of practical exposure during On-the-Job Training (OJT) and the review of secondary data, the following key findings have been observed:

1. **Enhancement of Accounting Skills:** Students demonstrated significant improvement in practical accounting skills. Tasks such as journal entry recording, ledger posting, preparation of trial balances, and finalization of accounts were completed with greater accuracy after OJT. Regular hands-on experience allowed students to better understand accounting principles and their real-world applications.
2. **Improvement in Tax Compliance Knowledge:** Exposure to GST and Income Tax procedures helped students understand statutory compliance requirements, filing procedures, deadlines, and reconciliation processes. Students were able to apply theoretical knowledge to practical scenarios, reducing errors in tax calculations and filings.
3. **Increase in Professional Competence:** OJT contributed to the overall professional development of students. Through interaction with accountants, auditors, and clients, students developed workplace discipline, communication skills, time management, and decision-making ability. This practical experience bridged the gap between academic learning and industry expectations.
4. **Awareness of Organizational Workflow:** Students gained insight into the workflow of a professional accounting firm, including document handling, record maintenance, internal controls, and audit procedures. Understanding these operational aspects enhanced their ability to adapt to corporate environments.
5. **Application of Accounting Software:** Practical exposure included the use of accounting software such as Tally Prime and Microsoft Excel for bookkeeping and financial reporting. Students became proficient in digital tools, improving both efficiency and accuracy in real-time accounting tasks.
6. **Understanding of Compliance and Legal Requirements:** Students developed an awareness of statutory laws and compliance obligations, including GST provisions, income tax rules, and TDS regulations. They learned the importance of timely filings and penalties for non-compliance, which reinforced ethical and professional responsibility.
7. **Problem-Solving and Analytical Skills:** During practical assignments, students encountered challenges such as data discrepancies, calculation errors, and reconciliation issues. Solving these problems enhanced analytical skills, critical thinking, and the ability to apply theoretical concepts in real situations.
8. **Confidence and Employability:** Students reported increased confidence in performing professional tasks. Practical exposure prepared them to handle client assignments, audits, and taxation work independently, thereby improving their employability in accounting and finance sectors.

8. CONCLUSION

The study concludes that On-the-Job Training (OJT) is a vital component of commerce education, particularly in the areas of accounting and taxation. The analysis demonstrates that practical exposure significantly enhances students' understanding of accounting procedures, GST compliance, income tax filing, and audit documentation. By engaging directly with real organizational processes, students are able to apply theoretical knowledge in a practical context, thereby bridging the gap between classroom learning and professional requirements.

Furthermore, OJT contributes to the development of professional skills such as problem-solving, decision-making, communication, and ethical awareness. Students gain confidence in handling real-world financial tasks and develop the ability to work under deadlines and comply with statutory regulations. The study indicates that practical exposure also promotes attention to detail and accuracy, which are critical for maintaining high standards in accounting and taxation work.

Overall, the findings suggest that structured On-the-Job Training programs play an essential role in enhancing employability and preparing students for professional careers in accounting and finance. Institutions should

prioritize OJT integration into academic curricula to ensure that graduates are industry-ready and capable of contributing effectively to organizations.

9. RECOMMENDATIONS

Firstly, universities and colleges should strengthen collaboration with industry partners to provide students with comprehensive OJT opportunities. The duration of practical training should be sufficient to allow students to gain hands-on experience in multiple functional areas such as accounting, taxation, and audit. Proper supervision and mentoring during OJT are essential to ensure that learning outcomes are achieved.

Secondly, training programs should incorporate modern accounting tools and software, enabling students to become proficient in digital accounting and reporting practices. Exposure to real-time financial systems, automated tax compliance tools, and audit management software can significantly improve efficiency, accuracy, and technological competence.

Finally, continuous evaluation and feedback mechanisms should be implemented to monitor the effectiveness of OJT programs. Regular assessment of student performance, documentation of learning outcomes, and integration of best practices from industry can help improve the quality of training. By implementing these measures, institutions can ensure that OJT remains a valuable and impactful component of commerce education, fostering both technical and professional growth among students.

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