

UNIVERSITI TEKNOLOGI MARA

**THE RELATIONSHIP BETWEEN
INFORMATION TECHNOLOGY
SKILLS AND COMPETENCIES ON
JUNIOR ACCOUNTING
GRADUATES EMPLOYABILITY**

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Thesis submitted in fulfillment
of the requirements for the degree of
Master of Science
(Business Management)

Faculty of Business Administration

August 2022

ABSTRACT

This research discovers IT skills and competencies for accounting graduates which are essential for them to work competently in the industry at the early stage after graduation. In line with the evolvement in technology, it has crucial for accounting graduates to acquire and master accounting related to IT skills and competencies for them to be resourceful, ranging from their first day in the profession. There is consequently growing concern about the level of IT skills and competencies that accountants possess in the use of information technologies, as well as whether they are equipped to handle the challenges of the modern business environment. The skills that professional accountants have acquired, however, are still below the minimum standard set by accounting professional bodies like the Malaysian Institute of Accountancy (MIA). Therefore, this study focuses on the relationship between IT skills and competencies among junior accounting graduates' employability. A quantitative research method through drop-and-collect questionnaires was distributed by MIA. A total of 341 questionnaires were sent out. However, only 240 of the 341 completed questionnaires were selected for the study because the respondents selected were below the age of 30. Descriptive findings reveal that IT skills and competencies in office automation skills, IT knowledge, and IT experience are essential for accounting graduates. This finding may be used as a basic guideline to enhance IT skills and competencies for accounting graduates, by incorporating these IT elements into specific accounting degree program courses. With this, it is hoped that the supply of future accountants by educational institutions is of high quality as expected by the industry.

ACKNOWLEDGEMENT

First of all, I would like to thank Allah SWT, because, with His mercy, I am able to complete this research to fulfill the requirements of the Research Methods course. My gratitude and thanks go to my supervisor Prof. Madya Dr. Siti Halijjah Binti Shariff and my co-supervisor Prof Madya Datin Dr. Nazura Binti Mohamed Sayuti for their guidance, understanding, patience, and provided positive encouragement and spirit to complete this thesis. I would also like to express my gratitude to my children and my family members who have been my source of inspiration and it would not be possible to write this thesis without their support from them. Thank you very much to all of them. May Allah shower the above-cited personalities with success and honour in their life.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter presents the background of the study, the statement of the problem, the objectives of the study as well as the research questions, the limitations of the study, the significance of the study, the scope of the study, and the definition of key terms.

1.2 Background of the Study

The increasing progress in information technology (IT) has led to rapid changes in terms of economy and business on a global scale. The rapid change in the business environment requires accounting graduates to have IT skills and competencies relevant to their roles to give professional services at work (Tam, 2013). IT makes it possible to integrate and communicate globally in business anywhere and everywhere. IT has created several job opportunities because a huge workforce is compulsory to create new software, support networks, and secure information. Additionally, the rebel technology advancement will influence accounting practices in various ways and results in both benefits and risks for accountants (Hasbolah and Omar, 2018). The growth of new technologies, existing world economies, and dominant multiple business organizations and marketing will lead employers to people who can adapt to those changes effectively at work (Phin, 2014).

Graduate employability skills have become an important challenge in the job market. A university is a medium where all the students were prepared for their skills and knowledge before entering the jobs. However, according to Heang, Ching, Mee, and Huei (2019), expectancies of university training have advanced and expanded. The function of the universities and colleges is now not restricted to offering information and skills abilities, however, additionally to make sure that scholars could be capable of steady respectable employment after their graduation. Universities are predicted to provide graduated students who are job-gearred up with skills that they are capable of