

FACTORS INFLUENCING ACCOUNTING CANDIDATES PREFERENCES IN MALAYSIA'S HIGHER LEARNING INSTITUTION

Maheran Zakaria

Universiti Teknologi MARA Cawangan Kelantan

Wan Noraswaniaty Wan Ahmad*

Universiti Teknologi MARA Cawangan Kelantan

waniaty@uitm.edu.my

Abstract: The shortage of chartered accountant in the accounting profession is currently considered a worldwide issue including Malaysia. Interested in this matter and following variables as proposed by Theory of Reasoned Action, the study aims to examine the factors affecting the intention of students in choosing accounting as their program preferences in relation to attitude and subjective norms among accounting students from a public higher learning institution in Malaysia. A total of 350 accounting students took part in this study. The study uses Smart Partial Least Square (PLS) version 3.0 to measure the research model. Findings exhibited that the variables namely attitude and subjective norms influenced student's intention to choose an accounting program. Additionally, the expectations of social groups were reasons where students were more likely motivated to comply. These results provided useful perspectives for corporate leaders, accounting professional associations, and university fraternities to establish policies by highlighting the importance, benefits, and opportunities of the accounting profession to students and social groups. The amassed efforts of the entire accounting fraternities will help to generate a strong interest in new talents in the field and ensure that more will come into the profession. It is expected that the initiative will create to produce a desired number of accountants in the future and therefore accelerates the desire of nations in becoming fully developed countries.

Keywords: Accounting program, intention, attitude, subjective norms

1. Introduction

Accounting profession is an exclusive specialized occupation being recognized globally and has always been the center of any successful program (Djatej, Chen, Eriksen & Zhou, 2015). Undeniably, rapid economic growth around the world has created huge demand for accountants, especially in developing countries including Malaysia. To fulfil the vision in becoming a developed country in 2030, it is projected that 60,000 skilled accountants are required to ensure Malaysian enterprises remain competitive and strong. Yet in 2020, the figure is still far to achieve since there are only half of the desired number being registered as chartered accountant with the Malaysian Institute of Accountants (MIA).

The shortage of chartered accountant in accounting profession is currently considered as worldwide issue including Malaysia. A lot of officials are determined in trying to influence the younger generation to take up accountancy to help bring up the numbers. Obviously, there are some challenges that hinder the efforts in realizing the nation's target. Plentiful of accounting programs have seen reductions in students' admission and concerns are raised about the standard of accounting graduates (Dawkins et al., 2020). A survey conducted by Association to Advance Collegiate Schools of Business (2019) showed a decline of 30.6% in accounting program enrolment from 2015 to 2018. Although the number of candidates enrolled in business school has risen significantly, the percentage of students preparing for accounting program has decreased (Hood, 2018).

In concern to this issue, the aim of this study is to examine the factors affecting the intention of students in choosing accounting as their program preferences. Two factors of Theory of Reasoned Action (TRA) are used to predict student's intention to choose accounting program; namely attitude towards accounting profession and subjective norms affect, which have been supported by prior studies (Pratama, 2017; Rababah, 2016; Tang & Seng, 2016; Djatej et al., 2015).

* Corresponding author: UiTM Cawangan Kelantan, Bukit Ilmu, 18500 Machang, Kelantan / waniaty@uitm.edu.my

2. Literature Review

Factors that influence the decisions of students to choose accounting program vary from one student to another even though there are some commonalities here and there. Thus, the main objective of this study is to know what influences the intention of students towards choosing the accounting program. Accordingly, the study uses Theory of Reasoned Action (TRA) (Fishbein & Ajzen, 1975) in understanding the gap in Malaysia's context.

The TRA aims to explain the association between attitudes and behaviours in human action. Basically, it is a prediction on how a person will react based on their attitude and behavioural intention. The decision of a person to participate in a specific activity is based on the consequences that the person believes will come from the behaviour. Figure 1 illustrates the model of TRA.

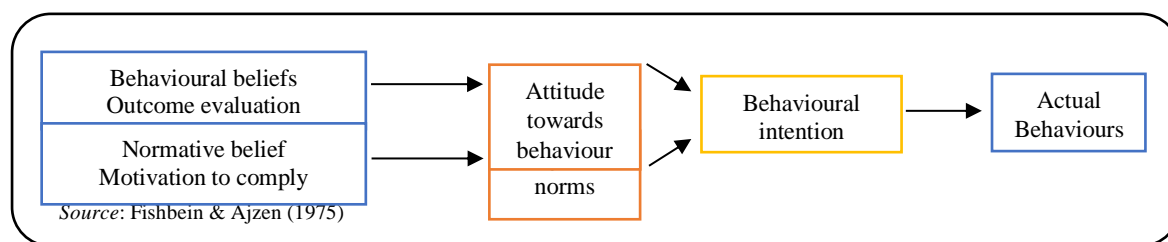


Figure 1: Theory of Reasoned Action

TRA suggests that the behaviour of individuals is created based on their attitude and perception. In the perspective of this study, behavioural intention is considered as the intention to choose accounting program, whereas attitude towards behaviour is seen as the attitude towards accounting profession. According to Ajzen and Fishbein (1980), behavioural belief and outcome evaluation are two functions which influence attitude towards behaviour. Behavioural belief is considered as an intuition that the behaviour leads to certain outcomes. Meanwhile, outcome evaluation is how a person evaluates that the probability of the good prospective would be realized from accounting profession.

There is a combination of normative beliefs and motivation to comply formulate subjective norms (Ajzen & Fishbein, 1980; Ajzen, 1985). Normative belief is a social group pressure which refers to a person's beliefs that social groups namely family, teachers, friends and peers have an influence in making decision of choosing accounting as academic program. On the other hand, motivation to comply refers to a situation on how a person is motivated to comply with the expectations of the social groups (Pratama, 2017; Hoai, Thi, & Thanh, 2016; Rababah, 2016; Djatej, 2015; Umar, 2014, Zakaria et al., 2012).

3. Methodology

The study conducted a survey on accounting students from a public higher learning institution in Malaysia. The aim is to examine and find the factors that influence their choice of accounting program by answering the questionnaire regarding their perception towards accounting. A total of 420 research instrument sets were distributed randomly, and 350 students replied, reflecting an 80% rate of response. The design of the questionnaire is based on a self-administered Zakaria et al.'s (2012) adapted survey. The survey instrument consisted of two parts of a seven-page questionnaire. Part A involves a demographic profile of the respondent that includes gender, age, and previous accounting knowledge before entering the program. It is followed by Part B that consists 36 questions which delineate intentions (10 items); behavioural beliefs (12 items), outcome evaluations (12), normative beliefs (5 items) and motivation to comply (5 items). All questions are assessed using seven-point Likert scale.

3.1 Data analysis

The study uses Smart Partial Least Square (PLS) version 3.0 to measure the research model by assessing the parameters in the inner and outer model (Ringle, Wende & Will, 2015).

4. Findings

4.1 Descriptive statistics of samples

Table 1 reports the description of respondent with 350 students from UiTM Cawangan Kelantan in Faculty of Accountancy. Female students account for 72% of total number of gender, meaning that female students tend to prefer studying accounting than male students.

Table 1: Description of respondents

Profile	Categories	Frequency	%
Gender	Male	98	28.00
	Female	252	72.00
Age	21	290	82.86
	22	27	7.71
	23	30	8.57
	Above 24	3	0.86
Accounting Background	Yes	213	60.86
	No	137	39.14

In terms of age, majority of the respondents were 21 years old which constitutes the highest percentage of 82.9%. Prior joining the accounting programme, 60.9% of respondents had accounting background while the remaining were without accounting background.

4.2 Normality test

To make certain that data are normally distributed, a normality test is carried out. The mean values of underlying variables among respondents were between the ranges of 4.67 to 5.74. Kurtosis and skewness values were from 0.41 to 0.82. The standard deviation shows that the score was from the lowest of 1.12 to the highest of 1.43. These values are within normal distribution of -2 and +2 and hence the data are accepted for normal distribution (George & Mallery, 2010).

4.3 Descriptive analysis

4.3.1 Attitudes towards accounting profession

Table 2 shows behavioural belief (BB), outcome evaluation (OE), attitude (ATT) and ranking based on twelve outcomes from choosing accounting program. The results show that the highest score was on good long-term income (32.20), followed by job variations (35.73), exciting profession (33.98), job development opportunities (37.44), flexibility of career options (30.57), high job security (37.43), opportunity to work with numbers (34.10), structured career path (35.16), opportunity to make a contribution (34.10), social prestige (32.27), ample working opportunities (38.54) and complicated profession (22.74).

Table 2: Behavioural Belief (BB), Outcome Evaluation (OE) and Attitude (ATT)

Outcomes	Attitude (ATT) (BB x OE)	Ranking
Good long-term income	32.20 (5.74 x 5.61)	1
Job development	30.25 (5.47 x 5.53)	4
Job variations	30.90 (5.46 x 5.66)	2
Opportunity to make contribution	28.73 (5.32 x 5.40)	9
Flexibility of career options	29.59 (5.44 x 5.44)	5
High job security	29.75 (5.40 x 5.51)	6
Social prestige	26.83 (5.24 x 5.12)	10
Structured career path	28.78 (5.35 x 5.38)	8
Exciting profession	30.85 (5.49 x 5.62)	3
Opportunity to work with numbers	29.05 (5.33 x 5.45)	7
Broad working opportunities	25.65 (5.11 x 5.02)	11
Difficult and intensive profession	22.74 (4.87 x 4.67)	12

4.3.2 Subjective norm influence

Subjective norm influence is a product of normative beliefs (NB) and motivation to comply (MC). Table 3 shows the results of subjective norm influence score. The highest score of subjective norm influence was family followed by teachers, advisors, friends and peers.

Table 3: Subjective Norm Influence Score

Social Group	Subjective Norm Influence (NB x MC)	Ranking
Family	29.00 (5.37 x 5.40)	1
Teachers	26.00 (5.19 x 5.01)	2
Advisor/ counsellor	25.65 (5.07 x 5.06)	3
Friends	23.66 (5.11 x 4.63)	4
Peers	21.41 (4.90 x 4.37)	5

4.3.3 Intention

According to TRA model, intention is a function of two basic determinants that are attitudes and subjective norms (Fishbein & Ajzen, 1975), which are considered as the immediate determinant of actual behaviour. Result for intention showed the score between of 4.52 to 5.64.

4.4 Assessment of a measurement model

4.4.1 Structural model

According to Sang et al. (2010), the structural model shows the correlation between constructs through the values of path coefficient and R^2 . Referring to a simple rule of thumb, as suggested by Hair et al. (2017), the cut-off critical t-value is 1.96 for a two-sided test with significant level of 5%. Additionally, any t-values that are greater than the cut-off value indicates that the path coefficients is significantly different from 0.

To assess the validity of PLS model, global fit measure (GoF) was adopted as suggested by Tenenhaus, Vinz and Lauro (2005). The general baseline values are $GoF_{small} = 0.1$, $GoF_{medium} = 0.25$ and $GoF_{large} = 0.36$. Results indicated that the value of GoF achieved was 0.47 which exceeded the value suggested by Akter, D’Ambra and Ray (2011). Likewise, the results disclosed that 45.0 percent of student’s intention to choose accounting program was explained by his/her attitude towards accounting profession and subjective norm influence ($R^2=45.0\%$). The results also exhibited that all t-values surpassed the cut-off critical value of 1.96, showing a significant value difference from 0. Thus, it can therefore be inferred that the attitude towards accounting profession has a significant relationship with intention to choose accounting program ($\beta = 0.368$, $p < 0.01$). Besides that, subjective norm influence also has a significant relationship with intention to choose accounting program ($\beta = 0.396$, $p < 0.01$). Figure 2 and Table 4 portray the results of the PLS output structural model.

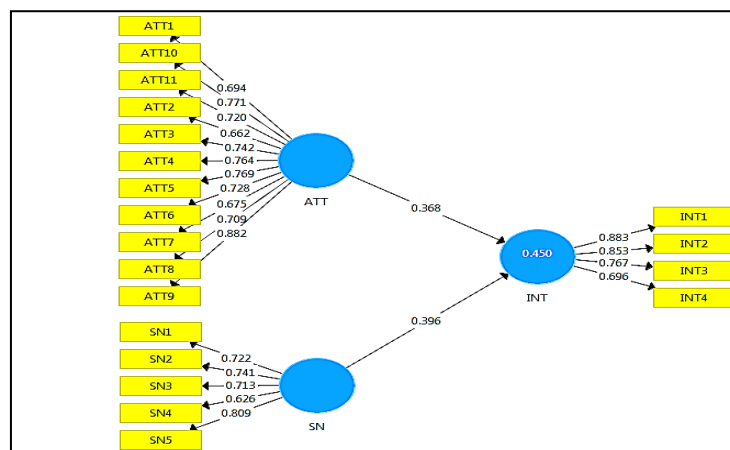


Figure 2: The Structural Model

Table 4: Path Coefficient and Hypotheses Testing

Relation	Beta	SE	T-Value	Decision	R ²	GoF
ATT -> INT	0.368**	0.061	6.051	Supported	0.450	0.467
SN -> INT	0.396**	0.063	6.286	Supported		

5. Conclusion

The result of the study shows that attitude towards accounting program and subjective norms affects the intention of students to select accounting as academic program. It specifies that attitudes in relation to incentives and prospects offered by the accounting profession has more influence towards the intention in selecting accounting program. Data analysis results also indicated that attitude towards accounting profession with regard to good long-term income, job variations, exiting profession and job development opportunities has even more influence towards the intention of students to select accounting as the preferable program. This result is in line with the findings of previous research (Pratama, 2017; Hoai, Thi, & Thanh, 2016; Rababah, 2016; Djatej et al., 2015; Umar, 2014; Zakaria et al., 2012; Jackling & Keneley, 2009).

In addition, subjective norm influence is more likely to affect the intention of students in choosing accounting program. The result is consistent with prior studies (Pratama, 2017; Hoai, Thi, & Thanh, 2016; Rababah, 2016; Djatej et al., 2015; Umar, 2014; Zakaria et al., 2012; Jackling & Keneley, 2009) whereby the more the student perceives that social groups want him/her to select accounting program, the more likely he/she is motivated to obey their anticipation.

The results provided theoretical implications to the body of knowledge in academic literature on the effect of attitude and subjective norm influence in the intention to select accounting as preferable program. Consistent with the TRA (Ajzen & Fishbein, 1980), the result shows that attitude towards behaviour and social group influence affects behavioural intention. The findings also supported previous studies that surveyed the same relationship of the proposed variables (Pratama, 2017; Hoai, Thi, & Thanh, 2016; Rababah, 2016; Djatej, 2015; Umar, 2014; Dibabe et al., 2015; Zakaria et al., 2012; Jackling & Keneley, 2009). Intrinsically, apart from supporting the theoretical works and literatures, the study heightens the understanding of students' intention in choosing accounting as their study preferences.

The results also indicated beneficial knowledge for policymakers, technical accounting associations and university fraternities to devise strategies by revealing the value, benefits and opportunities of the accounting profession to students and social groups. Additionally, aggressive promotions should be engaged to promote the accounting program to high school students, parents, teachers, counsellors and the public at large. This can be done through talks, seminars, media, social media, and road-tour within the nations. The amassed efforts of the entire accounting fraternities will help to generate a strong interest of new talents in the field and ensure that more will come into the profession. It is expected that the initiative will create in producing the desired number of accountants in the future; thus, accelerates the country's determination in transforming into a full-developed nation.

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