

Factors Influencing Accounting Students' Career Paths in Malaysia

Yusri Hazrol Yusoff¹, Mohamad Shahril Isahak², Halil bin Paino³

^{1, 2, 3} Faculty of Accountancy, Universiti Teknologi MARA, Cawangan Selangor, Kampus Puncak Alam, Selangor Malaysia

Abstract:- The purpose of this paper is to examine the influences accounting students' preferences for future career pathways. Career pathway refers to job options and job positions that can be chosen by individuals or students as a career. Accounting students can pick to develop their career into one of the accounting fields such as taxation, financial accounting report, management accounting, forensics, auditing, etc. According to past literature, the choice of career pathway is influenced by several factors such as intrinsic motivation, third parties, extrinsic motivation, and career exposure. Thus, the objective of this study is to identify the factors that can influence the career pathway of accounting students in Malaysia. This research expects different results from previous studies due to different cultural and educational environment factors. A simple random sampling method was used to identified respondents in this study. This study was used a quantitative approach. Therefore, data was collected by using a questionnaire an it was designed in the Likert scale method. This study is restricted to accounting students who are in Malaysia. In this research, two variables are tested to identify the factors that can influence the career path of accounting students. To achieve the objectives, quantitative methods are used, and data is collected through questionnaires. Data was analyzed using statistics. Professional accounting bodies may advantage from the results of the research as they might help to prepare policies in designing member recruitment strategies and the results of this paper meet the identified need to study the lack of certain career paths for accounting students can be resolved. In addition, universities may also benefit when developing current missions and policies for future accounting students.

Keywords: Accounting Student, Career Pathway, Accounting Professional Bodies.

1. Introduction

In Malaysia, accountants are the 4th most in-demand professionals, according to the Labor Market Information and Analysis Institute which lists them in the top five hottest jobs in 2022. However, the Malaysian Institute of Accountants (MIA) is unable to meet the demands of the career market as it only has 38,000 registered members only. Thus, to address this lack of demand, the Malaysian Government in the Economic Transformation Program (ETP) in 2010 has aimed to provide 60,000 accountants by 2020. Unfortunately, this target has not been accomplished, with following data from the Malaysian Institute of Accountants (MIA) present that there are only 38,500 official accountant its registry as members by June 2023". The low recruitment of members in the MIA may be an indicator of the preference of accounting students towards their career pathway. Ng et. al (2016) found that the lack of preference towards accounting may be due to the lack of formal education in the field.

Research on factors influencing accounting students' career choices reveals several key determinants. Intrinsic motivation and career exposure significantly impact undergraduate students' career path decisions (Ng et al., 2017). Extrinsic motivation and social values also play important roles (Surya Raharja & Dewi Liany, 2020). While third parties have some influence, it is generally less significant (Yen Hong Ng et al., 2017). Self-desire and future prospects are crucial factors for Nigerian university students (Umar, 2014). In Iran, significant differences exist between accounting and non-accounting majors regarding career-choice factors (Dalci et al., 2013). These findings can help educators and professional bodies develop strategies to attract students to accounting programs and the profession (Dalci et al., 2013). Understanding these factors is essential for addressing potential shortages in certain accounting career paths (Ng et al., 2017).

The objective of this research is to investigate the factors that can influence accounting students in choosing their career pathway after completing their studies at university. Essentially, students have several options in terms of career development after officially completion a study. For example, they might to be auditor, financial accountant, management accountant, banker, etc. This research includes new variables in the model to determine the factors that are important in influencing the preferences of accounting students towards their career pathways. In addition, university may benefit from this study because academics in the subject can use the findings of this study to help students in their career developments. In addition, professional accounting bodies can also benefit because the findings can be a basis for them to plan their future member recruitment strategies.

2. Literature Review

2.1 Social cognitive career theory (SCCT)

Social Cognitive Career Theory (SCCT) is explained the variables that influence an individual's career choice. RS Amalia (2023) found SCCT refers to the process of individuals rising their choices, interest in vocational fields, and ability in shaping their career. As a result, researchers found that SCCT believes that an individual's career choices and goals are influenced by self-efficacy beliefs and career expectations. The basic of SCCT is often used in past researcher to determine career choices and development. There are three main variables involved in the career selection process, namely personal, contextual and behavioral variables (Akosah-Twumasi et al., 2018). A previous study conducted by Akosah-Twumasi et al., (2018) used SCCT as a framework in analyzing the phenomenon, where most African American students are not interested in advancing in accounting as their career choice.

As explained by Ng. et al. (2016), SCCT consists of three main principles, namely, self-efficacy, outcome expectations and goals. Self-efficacy discusses to a person's belief in his ability to accomplish an action related to career advancement. People with strong self-efficacy will frequently try hard to complete tasks despite the difficulties they face. Result expectancy, on the other view, refers to beliefs about upcoming consequences after a certain behavior is executed. Finally, goals are defined as a person's determination to achieve a specific learning or performance outcome. Goal composition represents a critical mechanism involving the methods a person uses to empower himself.

2.2 Accounting Student Career Pathway

A career pathway is found by Tomperi et al. (2022) as a lifelong journey that should be planned at the beginning of a person's career. On the other view, Wang et al. (2022) found a career pathway as a professional position held by an individual for their whole lifetime. A person could develop a career in various fields such as marketing, finance, engineering, art, etc. Career pathways and career advances could be used together to create a career advancement. In this research, career pathway refers to the career choice that an accounting student makes upon completion of the study. An accounting student's career choice includes advancing into areas of audit, tax, management accounting, financial accounting, finance, etc. In other hand, accounting students commonly pursue becoming auditors and tax accessors as they begin their careers (Dalton et. al., 2014).

Identifying factors influencing career choices for accounting graduates would aid professional bodies in their recruitment campaigns. Wang et al. (2022) found that personal characteristics could also affect an individual's career pathway. Career path may also refer to work experience instead of progress in terms of career, personal growth, job status, and job satisfaction (Dalton et al., 2014). As a result, this research adopts the concept of SCCT in investigating accounting students' career pathways in a reputable higher learning institution that produces many graduations in accounting programs.

2.3 Intrinsic motivation

Many studies found motivation is divided into two elements: intrinsic motivation and extrinsic motivation. Ryan and Deci (2019) further explained that Intrinsic motivation is defined as an activity or something that brings personal satisfaction, and intrinsic motivation is a positive experience when he acts out of his interest or challenge. External factors such as pressures, rewards, or enforcement sometimes do not influence motivation. On the other

view, Jackling and Keneley (2019) found intrinsic motivation for personal satisfaction from hunting and exploring for some activity. Intrinsic motivation includes two components, namely, personal interest and personal choice.

Past literature has shown that when students get exposure and experience from professional practitioners, it influences their career choices (Hutaibat, 2018). Ghani et al. (2019) found that one of the universities in Malaysia showed that slightly more than half of the students had gained exposure during their internship at an audit firm or private industry. Sometimes, students also get exposure from academic programmes such as career talks provided by professional accounting bodies and counselling sessions. Besides, Hutaibat (2018) also investigated factors influencing students to be interested in pursuing accounting careers, and a study found that accounting students prefer to start their career in public accounting instead of management accounting due to the lack of exposure and programmes organized by their universities. As a result, students need more detailed information and sufficient knowledge regarding career options in the management accounting area. This study suggests the importance of career exposure to students' preferences in their career pathway:

H1: Does the factor of intrinsic motivation influence accounting students toward an accounting student career pathway in Malaysia?

2.4 Extrinsic motivation

Many studies found that extrinsic motivation is dissimilar from intrinsic motivation. Bainbridge (2015) found that a person may be extrinsically motivated to complete some tasks even though they are not enjoying completing the task, and they do the task to get some reward or because of pressure. In the same study, Bainbridge (2015) found extrinsic motivation as a motivation factor that comes from external factors such as lifestyle, family, culture and others. Hejazi and Bazrafshan (2013) defined management accounting as a smaller choice preferred over financial accounting and auditing among accounting students because financial accounting promises better external motivation, such as higher pay, good promotion, and better benefits. This study concluded that extrinsic motivation could influence career pathways when external factors lead to career choice. Other studies have determined that extrinsic motivation positively correlates with career pathways (Demagalhaes et al., 2011). Based on that, the common extrinsic motivation factors influencing career paths are salary and availability of job opportunities. However, Porter and Woolley (2014) found that the effect of extrinsic motivation is smaller than that of intrinsic motivation in terms of career choice. Even though Porter and Woolley (2014) agreed that accounting careers provide extrinsic benefits such as better pay and career stability, intrinsic motivation is a more significant factor in influencing career paths. Despite the mixed results found, the hypothesis of this study on extrinsic motivation is as follows:

H2: Does the factor of the extrinsic motivation that influences accounting students toward an accounting student career path in Malaysia.

2.5 Intention in motivation

Intention and motivation play crucial roles in influencing students' career paths. Study by Seo et al (2017) found that intention in motivation helps students set clear career goals and objectives. When students have a strong intention to pursue a particular career path and are motivated to achieve their goals, they are more likely to take proactive steps such as selecting relevant courses, seeking out internships or job shadowing opportunities, and networking with professionals in their desired field. While study by Connor et al (2015) found intention in motivation guide students in making informed decisions about their career choices. Motivated students are more likely to engage in self-reflection, research different career options, explore their interests and values, and make decisions that align with their long-term career aspirations. Ahmed (2011) defined intention in motivation contribute to students' overall job satisfaction and career fulfillment. When students are intrinsically motivated by their interests, values, and passions, they are more likely to find meaning and purpose in their work, leading to greater job satisfaction and long-term career fulfillment. Therefore, intention in motivation serves as driving forces that shape students' career paths, influencing their goals, decisions, actions, and ultimately, their success and satisfaction in their chosen professions. The hypothesis of this variable is as follows:

H3: Does Intention in motivation mediates the relationship of intrinsic motivation and extrinsic motivation on Accounting Student Career Path

3. Research Framework

This research framework is adapted from Ng et al (2016). In this study, researchers will define the relationship between variables. The relationship between variable was develop based on previous studies Therefore this study was suggested as below framework:

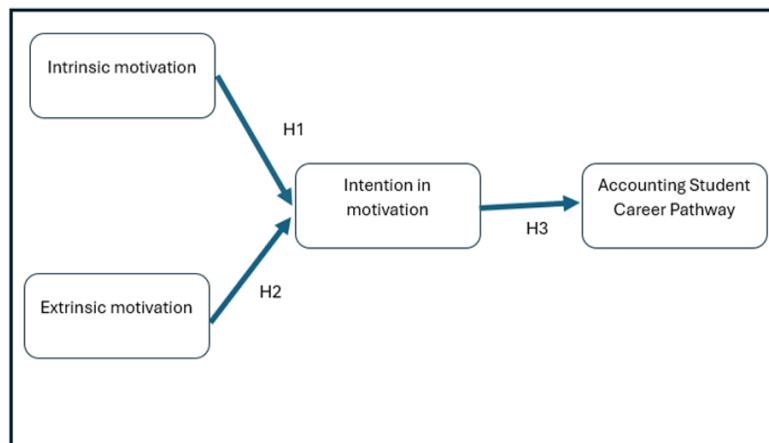


Figure 1. Schematic Diagram of the Research Framework

4. Research Methodology

The study uses a questionnaire survey for data collection. The sampling method that will be used in this study is simple random sampling. The group of population in this study is students specializing in accounting various universities in Malaysia and the programme was recognized by MIA. The respondents were undergrad students. The sample of the study consists of 300 students, but the researcher collect data only from 285 students as suggested by Uma Sekaran (2016). This study developed its questionnaire adapted from Ng et al (2016) and Yusoff et al (2023). The questions were edited according to its suitability under Malaysian conditions. The basis for data collection will be a five-point Likert-scale ranging from '1' meaning 'strongly disagree' to '5' meaning 'strongly agree'. To analyze data, this study was using Wrap PLS.

5. Findings and Discussion

Yusoff et al (2023) define a descriptive statistic as typically distinguished from inferential statistics. The survey response for each university was summarized in Table 1. All information was presented in actual figures to facilitate interpretation. Based on the report in the below table, it shows that the data was collected among public and private universities and that programme was recognized by MIA. This universities also are located in Malaysia and that programme was controlled by Ministry of Higher Education (MoHE).

Table I: Descriptive Analysis

No	Universiti	Quantity	No	Universiti	Quantity
1	International Islamic University Malaysia	15	10	Universiti Tenaga Nasional	12
2	Universiti Putra Malaysia	10	11	Universiti Multimedia	16
3	Universiti Teknologi Mara	30	12	Universiti Malaysia Sabah	12
4	Universiti Teknologi Malaysia	12	13	Universiti Industri Serlangor	18
5	Universiti Utara Malaysia	20	14	Universiti Sultan Zainal Abidin	16
6	Universiti Kebangsaan Malaysia	19	15	Universiti Sains Islam Malaysia	14
7	Universiti Malaysia Terengganu	12	16	Universiti Tunku Abdul Rahman	15
8	University of Malaya	14	17	Management and Science University	17
9	Universiti Sains Malaysia	14	18	Universiti Malaysia Sarawak	19
TOTAL					285

The summarized results for the data analysis were presented in Figure 2 below. From the analysis, the study found that the p-value for H1 is <0.01 , while the p-value for the H2 is <0.01 . This means when the Intrinsic and Extrinsic is high, accounting student would increasingly to choose accounting as a career path. Even, Intention also can be influencing the career path, but this factors nothing is not high influence for decision in career path. Therefore, intention as a mediator does not effective as influence factors to accounting student in their career path.

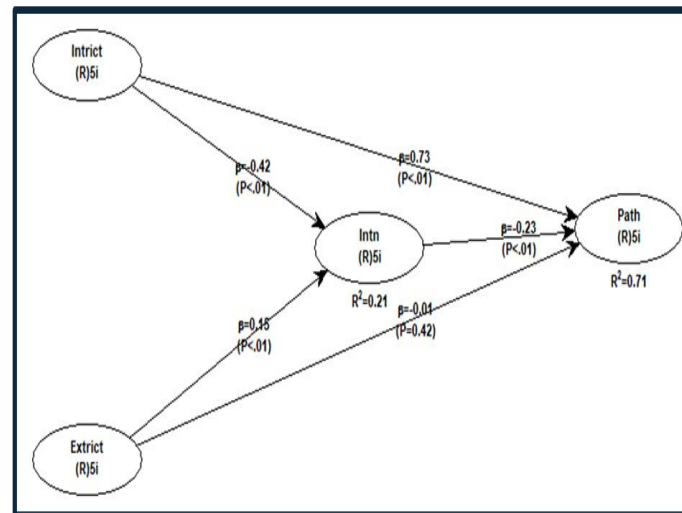


Figure 2. Results of Analysis

Based on Table 2, the accepted result of hypotheses are H1, and H3. The results for path coefficients and p-values are above the threshold value (0.05). On the other hand, H2 was rejected as the p-values are below the threshold value (0.05). In the Table 3, Results show that H1 is the highest influence on career paths among accounting student in Malaysia. However, there is no significant relationship between Extrinsic motivation and Accounting Student Career Path. To influence this relationship in H2, intention motivation as mediator was required. The analysis also records that the path coefficient for H3 was 0.23 and R² is 0.71. Therefore, this study has answered H1, H2 and H3.

Table II: Hypothesis Results

Hyphotesis	P-Value	β -Value	Results
H1	0.01	0.73	Accepted
H2	0.42	0.01	Rejected
H3	0.01	0.23	Accepted

6. Conclusion and Recommendation

This study finding is not consistent with findings from Mohd Khalid et al (2021) who found that accounting graduates find perceived benefits, working environment and other influences to be more significant. Furthermore, results were also not significant with study by Hsiao and Nova (2016) and Pratama (2017) who highlighted that power and prestige of the accounting career did not influence graduates' decision to pursue an accounting career. In conclusion, most of the accounting students' career choice is motivated by intrinsic motivation. For extrinsic motivation, it is working when this factor will support by intention. A student with no working experience in an accounting field will not be able to imagine the working environment of a person in the accounting field, as stated by Ng et al. (2013). These students will not be able to imagine the actual working conditions and do not understand a company's corporate culture. Finally, we conclude from our result that other influences may affect a student's career choice, which contrasts with findings from Gunawan et al. (2021) and Mohd Khalid et al (2021).

In a part to help accounting student to understand the challenge in accounting career, university should appoint academic as advisors. This appointed can help student in term of direct skills such as preparing financial report or budget working paper and indirect skills such as social networking and time management. Universities also should inculcate awareness, provide exposure to the students via engagement with accounting firms. There should also be events held regularly with the accounting professional bodies such as MIA, CiTM and CIMA to improve students' awareness and provide current information about the accounting profession. Universities should also proactively cooperate with professional bodies, organisations or industry by setting up mentoring systems with employer. That mentoring system has been successful in an Australian university, where it helps undergraduate students have better understanding of the accounting profession; their responsibilities and it helped the university integrate their academic curricula according to profession needs. (Adler and Stringer, 2018).

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