



# A STUDY OF BCOM STUDENTS' PERCEPTIONS OF THE VALUE OF PURSUING C.A. CERTIFICATION AND FACTORS THAT INFLUENCE THEIR DECISION

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## ABSTRACT

This study is an attempt to investigate the influences that affect Undergraduate Commerce students in their accounting career decisions and whether they are fully aware of the what it takes to appear for the exam. The researcher embarks on the assumption that students begin their college education with a predetermined goal of pursuing CA certification or make decisions based on the influences they experience at the college level. For this a survey method was undertaken and the data of three aspects was analysed i. e. the extent of external influences impacting students' decisions to pursue CA certification, the extent of students belief that their BCom accounting education prepares them for careers in accounting other than becoming a CA and the extent of that students perceive they are prepared to take the CA Exam?

The results of methods revealed that external factors play an important role in students' accounting career choices. Though students know the difficulties involved in choosing to pursue CA they choose to pursue it as a career. The study further concluded that the students had been made aware of careers in accounting not requiring the CA certification but they believe their BCom education does not prepare them for these careers. Student awareness of the difficulty and requirements of the CA Exam therefore mandated a preparatory course.

Keywords: C.A. Certification,

## INTRODUCTION

The positive trends of students opting for specialized courses of BMS, BAF, BFM, BMM, BBA etc after successfully clearing their XII th (HSSC) would lead one to assume that students are looking forward equip themselves to industry specific skills. Although the traditional BCOM curriculum does equip Accounting students with the basics of Accounting, Auditing and Finance it would be but natural that students wanting to pursue a career in Accounting would opt for BAF. It was observed that not all students enter accounting programs with the objective of pursuing a CA certification and many leaned toward careers where they can utilize their accounting degrees without the CA certification. This study is an attempt to investigate the influences that affect students in their accounting career decisions and whether they are fully aware of the what it takes to appear for the exam. The CA Exam's reputation for being a difficult exam to pass and perceptions of the low-pass rates were also examined as to student perceptions. The researcher embarks on the assumption that students begin their college education with a predetermined goal of pursuing CA certification or make decisions based on the influences they experience at the college level. Specifically, the researcher sought to establish what external influences had the most impact on the students' decisions to pursue CA certification.

## SURVEY OF LITERATURE

The growing need for public accountants in an expanding business world facilitated the transformation of accounting into a profession. Originating in the United Kingdom, then in the United States this expanded to all countries. It was in the mid to late eighteen-hundreds, William Deloitte, George Touche, William Cooper, Samuel Price, and Edwin Waterhouse established their respective firms in the U.K.; their firms evolved, merged and became the largest in the world. These firms today are the four leading professional services networks in the world and have now come to be known as as the Big Four: Deloitte & Touche (Deloitte), PricewaterhouseCoopers (PwC), Ernst & Young (EY), and KPMG, serving both industry and government. In 2015, the AICPA commissioned a study through an independent research firm Applied Research and Consulting, looking to understand the attitudes and behaviors of potential CPA Exam candidates – an equivalent to the CA course in India. (Tysiac, 2017). The findings affirmed that most students were graduating with accounting degrees intended to pursue becoming a CPA and thus the perceived value of the CPA credential was high. As early as in 2006 Jackling and Calero (2006) reviewed studies that have shown that external influences are the most important in the student decision making process in choosing to be a CA. Tysiac further found that family influences, such as a family member who is a CPA, and high school environmental factors, including the availability of accounting courses, are reliable predictors of a student pursuing CPA certification (Tysiac, 2015). Demagalhaes, Wilde, and Fitzgerald (2011) attempted to identify the intrinsic, extrinsic, and other job factors that are significant to accounting students. Intrinsic recognizes factors relative to job satisfaction, intellectual and creative value, as opposed to extrinsic, which identifies the financial and market-related factors such as job security, salary, benefits, and career prospects. Other factors included peer influence, prior work experience, employer location, proximity to family, and size. A students apprehension with regards to employment settles as accounting firms have been known to employ interns for

full-time employment (Koba, 2014). A recent study by Hart, Kremin, and Pasewark (2017) revealed that an internship has a significant impact on students considering a career in public accounting and that interns with positive internship experiences were more committed to the profession.

## OBJECTIVES OF THE STUDY

The purpose of this mini research study was to explore why students pursue CA certification. The study attempts to answer following research questions:

- a. To what extent do external influences impact students' decisions to pursue CA certification?
- b. To what extent do students believe that their BCom accounting education prepares them for careers in accounting other than becoming a CA?
- c. To what extent do students perceive they are prepared to take the CA Exam?

## SCOPE OF THE STUDY

The research focuses on studying the responses of undergraduate students studying in an Commerce college affiliated to the University of Mumbai.

## METHODOLOGY

This is a survey research focused on finding out what factors (intrinsic and extrinsic) affect a students choice of pursuing certification in CA while pursuing BCOM degree in Mumbai region.

A Google form was created listing out various factors that normally a student engages in when making a career choice. Statements i to iv related to H1, v to vii related to H2 and viii to x focused on H3.

- i. I have been influenced to pursue my CA by a parent, family member, or friend
- ii. My accounting professors have influenced me to pursue my CA
- iii. I know someone who is a CA who has influenced me a great deal
- iv. An internship at an accounting firm would help me in my decision to become a CA
- v. My professors made me aware of careers in accounting that don't require a CA
- vi. Many careers in accounting do not require the CA certification
- vii. I feel my accounting education has prepared me for any career in accounting
- viii. My accounting education has adequately prepared me to sit for the CA Exam
- ix. I have a clear understanding of what is needed to sit for the CA Exam
- x. Because the CA Exam is difficult, I plan to take prep courses to help prepare for the exam

This form was circulated on various student class groups of the institution.

## HYPOTHESES

The study was based on the following hypotheses:

Hypothesis H1 External influences have a positive impact on students' decisions to pursue CA certification.

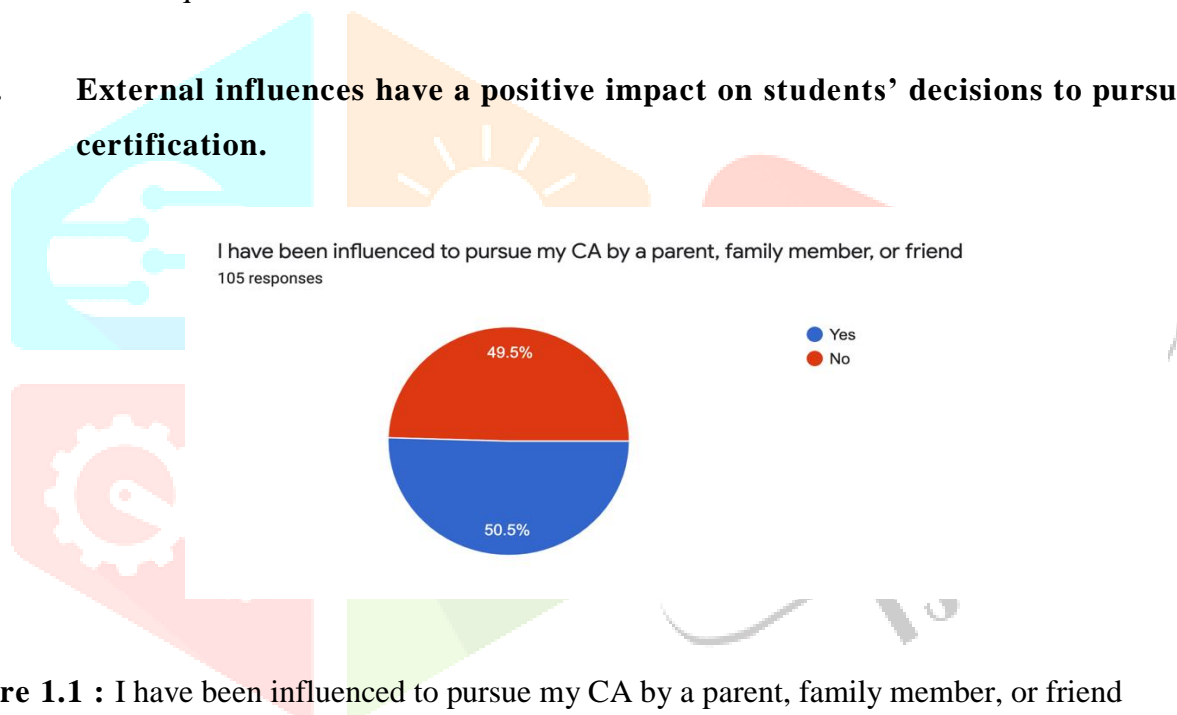
Hypothesis H2: Students believe that their accounting education prepares them for careers in accounting other than becoming a CA.

Hypothesis H3: Students perceive they are aware of what is needed to prepare for the CA Exam.

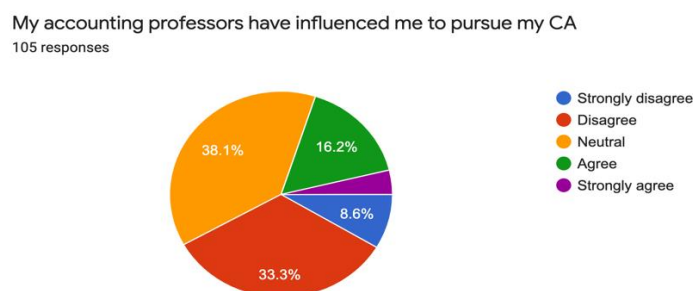
## FINDINGS AND ANALYSIS

A total of 105 students pursuing Chartered Accountancy while studying in SYBCOM and TYBCOM responded to the questionnaire

### I. External influences have a positive impact on students' decisions to pursue CA certification.

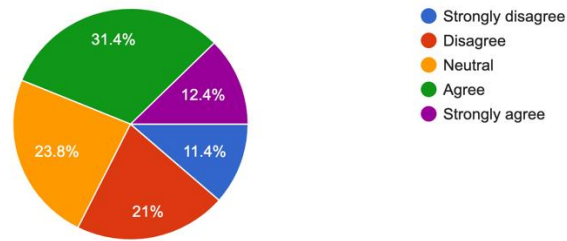


**Figure 1.1 :** I have been influenced to pursue my CA by a parent, family member, or friend



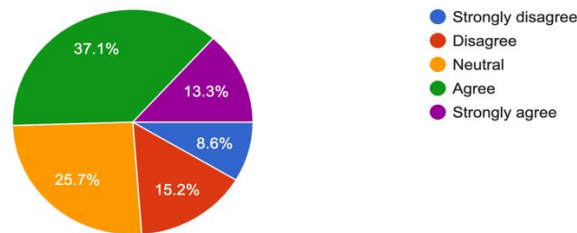
**Figure 1.2** My accounting professors have influenced me to pursue my CA

I know someone who is a CA who has influenced me a great deal  
105 responses



**Figure 1.3 : I know someone who is a CA who has influenced me a great deal**

An internship at an accounting firm would help me in my decision to become a CA  
105 responses



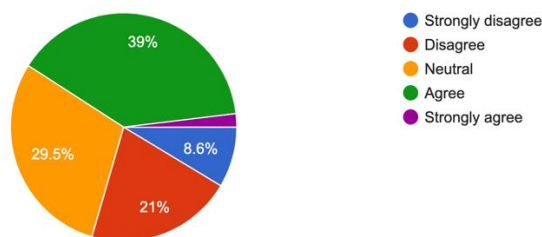
**Figure 1.4 : An internship at an accounting firm would help me in my decision to become a CA**

### *Analysis*

Figures 1.1 to 1.4 reflect the external influences on students choice of pursuing CA. Three of the questions asked students how they had been influenced. There was an agreement (50.5% - Fig. 1.1) of influence by family or friends, a medium to strong agreement (67.6 % - Fig. 1.3) of influence that knowing a CA professional had a great deal of influence and an agreement of just (24.8 % - Fig. 1.2) of influence by their accounting professors. The fourth question asked if they would be influenced (a future event). There was a medium to strong agreement (76.1% - Fig. 1.4) of potential influence by an internship in accounting that helped them make their decision to pursue CA.

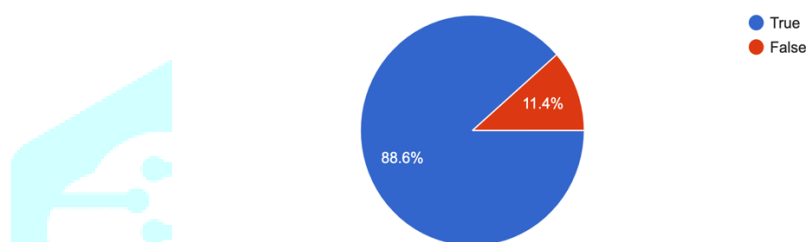
## II. Students believe that their accounting education prepares them for careers in accounting other than becoming a CA.

My professors made me aware of careers in accounting that don't require a CA  
105 responses



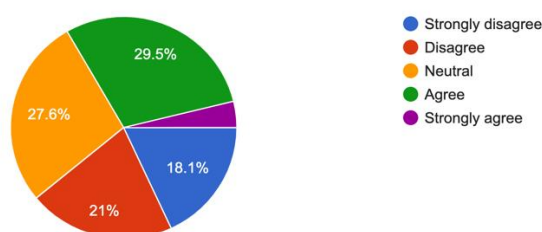
**Figure 2.1 My professors made me aware of careers in accounting that don't require a CA**

Many careers in accounting do not require the CA certification  
105 responses



**Figure 2.2 Many careers in accounting do not require the CA certification**

I feel my BCom education will prepare me for any career in accounting  
105 responses



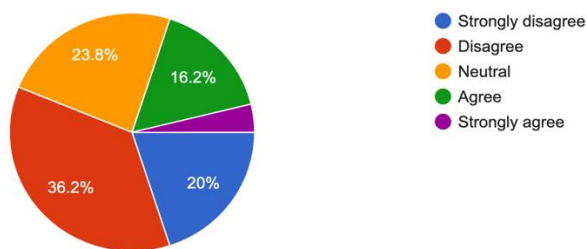
**Figure 2.3 I feel my BCom education has prepared me for any career in accounting**

### Analysis

The questions sought responses to three factors: my professors made me aware of other opportunities; there are careers in accounting that do not require CA certification; and my accounting education has prepared me for any career in accounting. The questionnaire results shown in Figure 2.1 revealed that 40.9 % felt their professors made them aware of careers in accounting that do not require CA certification. Only 33.3% (Figure 2.3) of students felt their BCom accounting education had prepared them for any career in accounting, and 88.6 % ( Figure 2.2 ) submitted that there are careers in accounting that do not require CA certification.

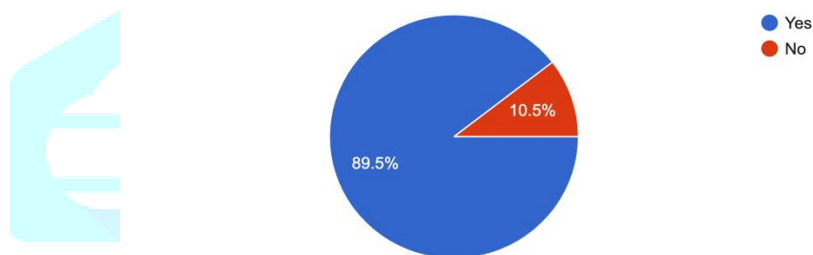
**III. Students perceive they are aware of what is needed to prepare for the CA Exam.**

My BCom education adequately prepares me to appear for the CA Exam  
105 responses



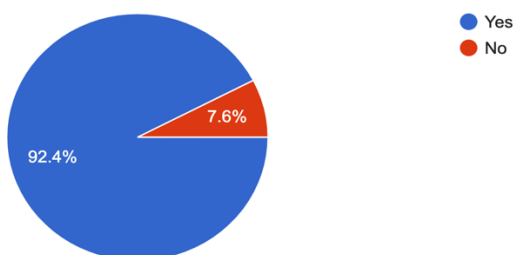
**Figure 3.1 My BCom education has adequately prepared me to sit for the CA Exam**

I have a clear understanding of what is needed to appear for the CA Exam  
105 responses



**Figure 3.2: I have a clear understanding of what is needed to sit for the CA Exam**

Because the CA Exam is difficult, I take prep classes to help prepare for the exam  
105 responses



**Figure 3.3 Because the CA Exam is difficult, I plan to take prep courses to help prepare for the exam**

### Analysis

The survey questions asked students if they felt they were prepared to take the CA Exam along with their BCom education, if they have a clear understanding of what is needed to sit for the exam, and if they plan on taking a preparatory course because the exam is difficult. The conclusion can be reached that the CA Exam is difficult (92.4 %), students have a clear understanding of what is needed to sit for the exam. Figure 3.1 concluded that 80% students medium to strongly agreed that BCom education does not prepare them to appear for CA exams and that additional classes were required. These results can be interpreted that 77% students do not feel prepared and therefore, they will need to take a preparatory course (Figure 3.3).

### CONCLUSION

The study implicates that external factors play an important role in students' accounting career choices. Though students know the difficulties involved in choosing to pursue CA they choose to pursue it as a career. Professors are not so significant influencers and the researcher feels that they should put some effort into student guidance (Demagalhaes et al., 2011) and internships should be encouraged (Roger CPA Review, 2017). The study further concluded that the students had been made aware of careers in accounting not requiring the CA certification but they believe their BCom education does not prepare them for these careers. Student awareness of the difficulty and requirements of the CA Exam therefore mandated a preparatory course.

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