

CHAPTER I

INTRODUCTION

1.1 Background of Study

For decades, prominent members of the accounting community have argued that the number of professional accountant with certification such as CPA is falling (Madsen, 2015). Based on the latest data update from the PDPT website (Higher Education Database), in 2016, Indonesia had 265,000 accounting students spread across 589 universities throughout Indonesia. World bank average data in 2014 states that, every year, the Southeast Asian region produces at least 77,300 accounting graduates. These data concluded that Indonesia contributes 45%, with an average of 35,000 accounting graduates each year (World Bank, 2015).

Based on 2016 data from the Central Bureau of Statistics, Indonesia has a total of 26.7 million companies, reinforced by data on the number of public companies according to Indonesian stock exchange data in 2022, as many as 778 companies with a total of 26.26 million companies in the Micro, Small and Medium enterprise business category. According to (Srirejeki et al., 2019), the data show that Indonesia has an enormous market for professional accountants for conducting financial report audits, special audits, financial report reviews, and compilation services.

Table 1.1
Characteristics of Respondents by Age

Number of CPA Needs	452,000
Accounting Graduates	265,000
CPA Available	24,000
Active Member have CPA on IAPI	5,666

Source: IAPI, 2022

The Indonesian Institute of Certified Public Accountants (IAPI) 2022, as of October 24, 2022, stated that the number of active members of the IAPI was 5,666 from total 24,000 member of IAPI compared to the number of Public Accounting Firms (KAP) of 632. From this data, the phenomenon that forms the basis of the problem in this study is that out of 452,000 total CPA needs in Indonesia, and >265,000 accounting graduates, there are only 24,000 available accountants in Indonesia with only 5,666 active members registered as CPAs under the auspices of IAPI.

It can be concluded that the number of accountants needed is far from the number of professional accountants available, plus the number range states that generally, Indonesian professional accountants are a number that is no longer productive at the age level of 50-70 years. The data show that students' intention to continue their careers in accounting is still relatively low. It can be seen from the gap between the number of accounting graduates who are pretty significant every year compared to the number of professional accountants that have CPA



Figure 1.2. Global Competitiveness Index

Source: IAPI, 2022

When compared through GCI (Global Competitiveness Index) data, Indonesia is still behind in the number of verified professional accountants. The GCI is an index measuring the development of all factors affecting the productivity of a country, including within that factor the availability of accountants who have CPA certification. Indonesia ranks 37th out of a total of 140 countries, and that order is still below Singapore at 2nd, Malaysia at 18th and Thailand at 32nd.

This student's intention can be influenced by his intention to take an accountant certification (CPA). The desire to meet the criteria is based on his capacity to continue to hone his skills. Schoenfeld (2017), in his journal, said that once a student had met these requirements and had become a certified CPA. They must meet the needs defined by their state board of accountability to maintain their CPA certificate, which often requires a CPA to continually maintain and enhance their skills through continuing professional education courses and other professional development requirements. A person's ability to hold something is known as a person's self-efficacy.

One theory that can explain this low intention is to apply the Social Cognitive Theory (SCT) model. Bandura (1986) said that the *Social Cognitive Theory* (SCT), founded in the field of psychology, is a theory that provides a framework for understanding, predicting and changing human behavior. Based on this theory, two things can affect a person's intentions: self-efficacy and expectations for results.

Self-efficacy understands a person's assumption that he can do something meaningful and is bound to achieve the goals he expects. Self-efficacy or self-efficacy that a person has will usually affect the individual in determining an action or decision (Azizah, 2022). Williams (2010) added in his journal that self-efficacy is also related to a person's ability to successfully believe in doing something in certain situations. If it is related to students, this indicates that their ability to focus on their intention to take the CPA or CA certification exams is increasing. Outcome expectations are expectations for the results to be received for the decisions taken. Outcome expectation cannot be interpreted as behavior but rather as a consequence of the actions taken by individuals (Sherly & F.X. Kurniawan Tjakrawala, 2022).

Other than the SCT model, other theories can be used as references that influence student intentions by applying the Theory of Planned Behavior (TPB). TPB is an extension of the previous Theory of Reasoned Action (TRA), which discusses a person's intentions related to his involvement in behavior at a specific time and place. The theory was intended to explain all behaviors over which people can exert self-control. The critical component of this model is behavioral intent; the attitude about the likelihood influences behavioral intentions. The behavior will have the expected outcome and the subjective evaluation of the risks and benefits of that outcome (W. W. Lamorte, 2022). Based on this explanation, there are 3 main factors as a reference for this model in determining one's intentions, namely attitudes, subjective norms and perceptual behavioral control

According to (Pusat Pembinaan dan Pengembangan Bahasa, 1999) , intention can be interpreted as a will or desire to do something or act or behavior.

If associated with students, intentions are closely related to the type of student career. Attitudes are related to students' opinions of CPA certification, which will benefit or only burden them. Intentions are also influenced by subjective norms related to the influence of the surrounding environment and association. Likewise, the control of perceptual behavior will affect students' confidence in the opportunity they have to continue their intention to take the CPA professional certification. The required time and costs will indirectly affect students' intentions to take the certificate.

The difference in the number of student data taking the CPA certification each year became the basis for this research. It is still appropriate to do this, and seeing still high gap between the number of students graduating from accounting and the number of students taking the CPA certification working as professional accountants, coupled with the limited range of respondents in this study. So, The writer wants to investigate why and how the attitude, subjective norm, perceptual behavior control, outcome expectation and also self efficacy have impact and affect the student intention to take CPA certification.

1.2 Problem Formulation

Based on the description of the background above, it was found that there were problems with the influence of attitudes, subjective norms, behavioral control, self-efficacy, and outcome expectation of the intention of accounting students to take CPA certification and continue their careers as professional accountants. Based on the problem and background description above, the following questions can be formulated:

1. Does attitude significantly affect students' intentions to take CPA certification?
2. Do subjective norms significantly affect students' intentions to take CPA certification?
3. Does perceived behavioral control significantly affect students' intentions to take CPA certification?
4. Does outcome expectation significantly affect students' intentions to take CPA certification?
5. Does self-efficacy significantly affect students' intentions to take CPA certification?
6. Does the outcome expectation significantly affect students' attitudes toward taking the CPA certification?
7. Does self-efficacy significantly affect the behavioral control of students' perceptions of taking CPA certification?

1.3 Research Objective

1. Empirically prove whether attitudes significantly affect students' intentions to take CPA certification.
2. Empirically prove whether subjective norms significantly affect students' intentions to take CPA certification.
3. Empirically prove whether behavioral control significantly affects students' intentions to take CPA certification.
4. Empirically prove whether self-efficacy significantly affects students' intentions to take CPA certification.

5. Empirically prove whether outcome expectation significantly affects students' intentions to take CPA certification.
6. Empirically prove whether outcome expectation significantly affects students' attitudes toward taking CPA certification.
7. Empirically prove whether self-efficacy significantly affects students' perceived behavioral control to take CPA certification.

1.4 Research Benefits

This research is expected to provide benefits in the:

1. Theoretical Uses

This research is expected to be a motivation, insight and information for students to take CPA certification and enter the realm of professional accountants.

2. Practical Uses

This research is expected to be able to implement the theory and environmental conditions that the author studied during his lectures. This research will also likely discuss evaluation for universities in supporting and evaluating learning systems. He also hopes that this research can be used as a reference for further researchers who wish to develop this research.

1.5 Writing Systematic

The structure of this research paper is divided into five chapters and presented as follows:

CHAPTER I INTRODUCTION

Chapter I consists of 5 sections containing the background of the research to be carried out, the formulation of the problem, the objectives of the study, and the systematics writing.

CHAPTER II LITERATURE REVIEW

It contains a literature review related to supporting theories and several concepts as research reinforcement in this thesis. This chapter is also accompanied by several previous studies, frameworks, and hypotheses related to this research.

CHAPTER III RESEARCH METHODS

This chapter describes the research variables in full, the operational definitions of these variables, the study population and sample, the types and sources of data used, and the methods to be used in data collection and analysis.

CHAPTER IV RESULTS AND DISCUSSION

It contains the discussion results, which is the central core of thesis writing and the implementation of this research, including an overview of the research object, data analysis, and interpretation of the results obtained.

CHAPTER V CONCLUSION AND IMPLICATION

The closing part of this research contains conclusions, managerial implications, and limitations of the study that has been done and is accompanied by suggestions.