

CHAPTER 1

INTRODUCTION

1.1 Background

The career choice has become a complex science with the advent of information technology, the emergence of post industrial revolution and job competition. The primary objective of accounting programs is to produce sufficient number of graduates who have considerable accounting knowledge, with the strong communication and analytical capabilities demanded by firms. The factors that motivate students to choose or not accounting as a major should interest educators because this decision has a significant resource implications.

Accounting is one of the majors in economic faculty in demand by current students who study in social field. Research of Basuki (1999) in Ariani (2004) which states that the average student chose the accounting majors, driven by their desire to become professionals in the field of accounting. In addition they also motivated by the assumption that accountants in the future will be needed by many organizations and companies, especially in Indonesia. Career selection of accounting students are not only focused on professionals in accounting but also they can work in non-accounting profession, such as lecturer. Career is an accumulation and knowledge that embedded in skills, expertise, and network of working relationships (Bird, 1994 in Deasy : 2000). But in contrast, (Greenberg and Baron, 2000 : 215) states that career includes in a sequences of a person's job experiences over a period of certain time. Career selection is a process from individual as a business to prepare himself to enter the stage of a job.

The career selection from a directed and systematic action activity so can choose a career in accordance with the desired. Before to decide his career, a person must first look for information about various alternatives professions. Basically, the selection of career that combine a interest and ability, and also the background of a person's ability to that career. The decision of human to choose the career is a complex thing and involves many rights in human's life dimension. Many things to consider in choosing the decisions the things that should be consider because that human spend most of their time in activities that related to the work. Students interest and plans of career will be very useful in preparation of the program, so that course material can be delivered a regular basic effective from students who need it. Career planning is a important thing to achieve the succes (Berry, 1997, Messmer, 1997 ; and Paolillo et al, 1982) in Rasmini (2007). Therefore, it is necessary a stimulation to get students to start thinking seriously about the desired career since he was in college in order to student utilize the time and campus facilities. The factors that affecting students to choose the career and the type of career that they are going to live is an interesting thing to be investigated because by knowing the choice of career that interest the student, so we can know about why someone choose that career (Rahayu, 2003).

After graduate from accounting major, students will have a different plan for their career. Some of them will continue their education to magister. But also, there are some people who wants to chosing to have a job in accountant company or company that related to finance. One of the areas which are concerned directly with these challenges is the accountant profession. The accountant profession takes a significant role in economic development. From the accounting

information, the economic problem can be identified and then it will help in finding the solution.

The reason for choosing an accounting profession is a student, I want to research the interests and career plans of future students who will be very helpful in achieving success (Berry, 1997; Messmer, 1997; and Paolillo et al., 1982 in Rasmini 2007). Therefore it is necessary a stimulation to make students start thinking seriously about the desired career since still in college so that students can take advantage of time and campus facilities optimally. Career planning is crucial in achieving career success. However, for some people can not do career planning because it always faced the fear of uncertainty in the future. It has much experienced by the final year students who will approach the graduation, they desperately need input in career planning so that the study period can be utilized effectively so that their time is not wasted. Therefore, research needs to be done to know the perception of accounting students about the factors that differentiate career selection as public accountant, corporate accountant, government accountant, and educator accountant.

Students have expectations of the career they choose can give what they want in terms of the intrinsic value factors of work, such as financial rewards, professional recognition, work environment, and personality. According to the act in Indonesia it states that every institution have to be audited by public accountant. So that the demand of accountant profession will be increased. As an accounting student, it is a chance to be an accountant after graduating from accounting study. Since MEA has started in January 2016 that allows everybody to get a job freely including in indonesia, the accounting students have to compete

with accountants from other countries. Because of that, they have to improve their accounting skill and also their english skill to win the competition in the globalization era.

Accounting profession education is an additional education in higher education after economics graduate program in accounting study program. The role of accounting education stated in the National Seminar on Accounting is (1) to create the knowledge of workers who work together synergistically with blue-collar workers as well as knowledge workers in the process of creating added value, (2) responsiveness to accounting roles that tend to be multidimensional and vital in the future , (3) able to give stock to accountants in order to carry out oversight, insight, and foresight roles that will become more complicated in the future.

Accounting profession education aims to produce graduates who master the expertise in the field of accounting profession and provide professional accounting compensation. Graduates of Accounting Profession Education is entitled to hold a professional accountant's degree (Benny: 2006). Then sign up to the Treasury to get the register number so that it becomes an accountant. To accommodate their interest become true, the educational institution both public and private provide the accounting major for every student to learn about accounting deeply. This alternative will be used by the accounting student to improve their knowledge for making sure that they can compete with their competitor which is not only from Indonesia but also from Thailand, Singapore, Philippines, Malaysia..

After completing their study in the university, the accounting student will face three choices : work at public or private sector, continuing their study to magister degree and the last one is doing the CPA test to become public accountant. In University, extensively teaching accounting tends to directing students work as public accountant (Widhinugroho, 1999) interest and student's career plan is clearly useful in preparation program so that the course material can delivered effectively. The proffesion as accountant public is a parties that bridges the relationship between the management that manage a unit effort. When they graduate, there are several field of accountant profession that should be selected by the accounting student such as educators accountant, Educators A (Jensen Meekling, 1976). The main activities from the proffesion as public accountant is primarily on audit activities which purpose to give fairness opinion to financial statement made by management's side (Baridwan, 2002). This proffesion is also delivers opportunity to get a job with a big salary, because public accountant may include the most expensive proffesion because the biggest source of income from public accountant has shifted from audit services to management consulting services.

As the candidate who has big possibility become an accountant, accounting student have to be selective in selecting one of this field. It will be influenced by several factors, such as salary, training, social value, profession recognition, environment, and security and availability of occupation. The salary factor influences the selection, because the student want to be paidmore for their hard work. Salaries or financial rewards are the results obtained as a contractor that has

been fundamentally believed for some companies as the main attraction to give decisions to Setiyani employees (2005).

Currently, financial rewards are still viewed as a measuring tool to assess the consideration of services that employees have provided in return for the benefits they have earned. A person who works not only meets the needs of the economy, but the basic fundamental reason until now why one works only for reasons of economic factors. This is related to the fulfillment of physiology needs. Financial rewards are a tangible reward financially. The elements included in the financial reward are the initial financial reward, pension fund, and potential financial reward increase. Then the training will be useful for improving the skill of the student who will be an accountant. Not only working in the organization, the student will consider how is the social value provided in their job. They also want to do the social action. It is like running their hobbies. Profession recognition will influences them related to the reward that they will get in their job. Working environment also influences their selection about how good their working environment in order to do the optimal performance. The security and availability also influences their selection related how their working is running safely and also how the information of organization can be accessed easily.

Therefore, this research is needed with the aim find the accounting student's perception of the factors that determine career selection, either as public or non public accountant. The result of this research are expected to give feedback to policy-makers, universities, and professional institution associated with the accounting profession, to create strategies and policies that can meet the needs of profession and industry. Ultimately, it will be able to improve the quality of

professional accountant needed by the business world or a good quality company.

By doing this research, it shows that there are some different look about financial / salary, training, social value, proffesion recognition, envirointment It is interested to be researched directly to find out what accountant profession that will dominates around the a, safety and availability of occupation. This research can make it easily the students to decide their career as public accountant, education accountant, and government accountant. As we know before, the career planning is the most important things to get the succes in that career. But, many of them can't do the career planning well, so that still confused about the uncertainty in the future. This case still happen in many of people nowadays, mostly it happen to final year students. They need some input or advice in career planning, so the study period can be use effectively. Not only that, but also their time is not wasted.

Accounting student and what factors that they should be considered in selecting this profession. The research was conducted in Padang due to the curiosity of some accounting students who studied in Padang about career selection in the field of accounting in the future. Knowledge and understanding of something gives rise to a wider, higher, and more thorough curiosity. The curious impulse is channeled to increase and understanding the knowledge. To that end, my curiosity towards accounting students in Padang is so great to be researched in knowing their future career desires. Because Padang city is one city that has good quality of education. For example, in Padang there are a number of public and private universities that are accredited A and B. Therefore, I took the city of Padang as part of my thesis.

This research is the replication of other researches which also observe the factors that influence the selection of accounting profession for accounting student. But it will be conducted in Andalas University and Eka Sakti University. Eka Sakti University was taken as one of the objects because Eka Sakti University is included in Indonesian Institute of Accountants (IAI) which has been established since April 1, 1973. So, this research is necessary needed to know the perception of accounting students on the factors that make it difference from the election of the career as public accountant, government accountant, and education accountant.

1.2. Problem Statement

Based on the description above, the problem to be studied are :

- a. Does the salary influence accounting student in selection of accountant profession?
- b. Does the environment influence to the selection of accountant profession for accounting student ?
- c. Does the social value influence to the selection of accountant profession for accounting student ?
- d. Does the proffesion recognition influence to the selection of accountant profession for accounting student ?
- e. Does the professional training influence to the selection of accountant profession for accounting student ?
- f. Does the security and availability of occupation influence to the selection of accountant profession ?

1.3 Research Objectives

The purpose of this study is to:

- a. Analyze which factors that distinguish the career selection as public accountant, company accountant, government accountant, and educators accountant.

1.4. Research Benefit

From this research, the researcher expects to:

- a. For the author, this research will give knowledge and understanding about the factors that effect the accounting students by choose the career as accountant.
- b. For the accounting student, this research will give knowledge and understanding about to choose the career as accountant after graduate.
- c. For accounting knowledge and subsequent researchers, as a researcher hopes this research will provide the information needed regarding the accounting proffesion. Also as a reference for the subsequent researchers.

1.5 Writing Systematic

The structure of this paper is divided into several sections, which are begins from the the chapter 1 that consist of introduction that describes background why researcher interested in this matter, problem statement, research objectives, and research benefit. The next part is chapter 2 that consist of literature review which gathers all related materials to this research, previous study, and another

resources. The third chapter is explain about the method research which consist of data collection method, data analysis method, and operational definition from research variable. The next chapter is chapter 3 which explained about the research analysis and discussion that explained about how about the research result, the research that using various type of test. For the last chapter is chapter 5. In chapter 5, it consist of conclusion and suggestion. Not only that, but also th limitation of research will be explain here.

