

CHAPTER I

INTRODUCTION

1.1 Background of the Research

In general, humans have the desire to achieve everything that has been aspired to. Every individual is expected to be able to fulfill all of his needs by doing the work he already has. As an individual it takes an interest and self motivation to be able to work hard and have a sense of responsibility for the work done, in order to be able to face intense competition both in the business world or among fellow workers.

Along with the rapid development of the business world in Indonesia, such as the growth of financial institutions both banks and non-banks and capital markets and the existence of companies engaged in various industries. With these developments indirectly provide the diverse employment opportunities for all the workforce, as one of the workforce namely economics graduates, especially from accounting majors from both state universities and private universities. In this case, accounting education must always be supported to produce qualified undergraduate graduates and each students can choose a good career, ready to compete in the world of work.

The choice of a career for accounting students is the initial stage of career formation. In general, accounting students who have completed their undergraduate degree have several choices in determining their next career. First,

they (undergraduates) can immediately work as employees in a company or government agency. Second, they can continue their education to the next level, namely Master Degree, or can take Accounting Professional Education.

In the selection of careers and jobs for accounting graduates, there are several professions that can be chosen by bachelor of accounting, such as professions as an auditors. Auditors are the accounting profession that deals with providing financial audit or audit services. In carrying out the audit, the auditor reviews the client's historical financial statements and provides professional opinion regarding the obligation to present the financial statements. The auditor's profession has several negative perceptions, including overtime, unrealistic deadlines / budgets, depression / work#pressure, and#politics in the company. Generally, overtime#and' depression / work#pressure#are#the two main reasons for the lack of interest in students choosing the profession of auditors.

The auditor's profession is#seen#as having bright#prospects, because this profession provides#intellectual#challenges#and#invaluable#learning experience . In addition, this profession also provides an opportunity to get a challenging and varied job, because it can be assigned in several places and in various companies that have different characteristics and conditions. Auditor's profession is a prestigious profession in Indonesia. In addition to having an professionalaccountant degree, prospective accountants are also required to take the exam held by the Indonesian Institute of Certified Public Accountants (Ikatan Akuntan Publik Indonesia / IAPI) and registered with the Ministry of Finance to be a legal public accountants or auditors.

Various information obtained by accounting students regarding the auditor profession is important in the process of making a career decision as an auditor. The existence of negative information about the auditor's work environment might reduce their interest in choosing a career as an auditor and transfer their career choices to other accounting professions. Thus, the profession of auditors can lose qualified of auditor candidates. In determining a career as an auditor, there are often factors that influence student interest in a career, including lack of knowledge and information on students in career choices they get in the education curriculum, as well as factors that occur in financial awards, work environment, job market certainty , social values and professional recognition.

Nadlari's (2015) research shows that there are differences in student perceptions regarding career choice in terms of salary factors, professional training, professional recognition, social values, work environment and job market certainty. Whereas in terms of personality factors there are no differences in student perceptions. Sari (2015) examined the Factors Affecting Accounting Students at the Faculty of Economics and Business, University of Sumatra Utara in Career Selection to Become Auditors at Private Agencies and Government by including financial awards, social values, work environment, job market certainty, professional recognition. This study concludes that financial reward variables, work environment, job market certainty, social values, simultaneous professional recognition affect the career choice variables to become auditors.

Based on the description above, the researcher interesting in conducting further research in accounting department ,Andalas University entitled " Factors

that Influence Students in Selecting Career to be Auditor on Government and Private Sector"

1.2 Problem Formulation

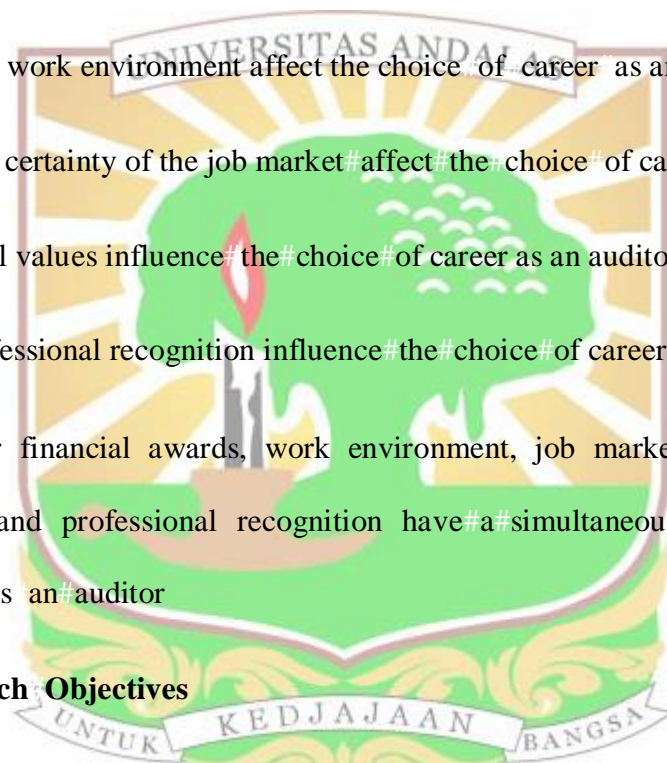
Based on the background of the problem described, the problem can be formulated in this study as follows:

- a. Does the financial award affect the choice of career as an auditor?
- b. Does the work environment affect the choice of career as an auditor?
- c. Does the certainty of the job market affect the choice of career to be an auditor?
- d. Do social values influence the choice of career as an auditor?
- e. Does professional recognition influence the choice of career as an auditor?
- f. Whether financial awards, work environment, job market certainty, social values and professional recognition have a simultaneous effect on career choice as an auditor

1.3 Research Objectives

In accordance with the formulation of the problem, this study has the following objectives:

- a. Analyze whether financial rewards influence the choice of career to become an auditor.
- b. Analyze whether the work environment influences the choice of career to become an auditor.



- c. Analyzing whether job market certainty influences the choice of career to become an auditor.
- d. Analyze whether social values influence the choice of career as an auditor.
- e. Analyzing whether professional recognition influences the choice of career as an auditor.
- f. Analyzing whether financial awards, work environment, job market certainty, social values and professional recognition simultaneously influence the choice of career to become an auditor

1.4 Benefits of Research

This research is expected to be useful for:

1. Author

This research is expected to have the value of benefits to add insight and deepen the knowledge of the profession of auditors or the accounting profession clearly and is useful for training themselves in analyzing a problem scientifically and systematically in thesis writing.

2. Academic

The expected academic benefit is that research results can be used as a reference for accounting development efforts, especially as an equivalent in choosing a career for its students, and also useful as a reference for students who conduct studies of the auditor profession or influencing factors

3. Researchers

This research is expected to be a reference material and comparison for subsequent researchers and those who need it and can be used as a reference and information source.

In determining a career as an auditor, there are often factors that influence student interest in a career, including lack of knowledge and information on students in career choices they get in the education curriculum, as well as factors that occur in financial awards, work environment, job market certainty, social values and professional recognition.



