

# CHAPTER I

## INTRODUCTION

### A. Background

In this era, the development of the business world in Indonesia grows very rapidly. It can be seen from many businesses that exist and from the high level of competition. It has an impact on the variety of open job fields for the workforce. One of the workforces is graduate of the economic faculty, especially from Accounting department (Chairunnisa, 2014). The Accounting profession is a profession that has an important role in the business world. The Accounting profession is a job that not only relates to fulfill life needs but also requires quality of standard professional ethics so that the integrity of the Accounting profession is always maintained, and accountants should always maintain good relations with the community environment (Harris, 2011). This profession has responsibility for what it does, including its work, organization, society and itself. It makes the accountant is required to be able to act professionally and to be more expertized in accounting fields.

To act professionally and to be more expertized in Accounting, an accountant depends on the profession to be chosen. In career selection, someone needs to plan which career to choose (Asmoro, 2016). Planning in career selection is very important for achieving success. It is one of the complex things and involves big decisions that must be considered before deciding. Choosing a career is not an easy thing (Yusran, 2017). Students

who have taken undergraduate education can make choices to join the world of work that they are interested in. From the many scholars, especially graduates of Accounting department are faced with career selections tailored to the education they have taken. If they choose a careers based on interests, they will feel they can carry out the tasks that have been given and entrusted to them (Putra, 2017).

The order to understand in advance the career or job that will be chosen is found in the Quran. It is stated in **QS. Al-Isra the 17<sup>th</sup> surah, 36<sup>th</sup> verse**:

كُلُّ الْفُؤَادِ وَالْبَصَرِ وَالسَّمْعِ إِنِّطَّ عِلْمٌ بِهِ لَكَ لَيْسَ مَا تَقْفُ لَا وَ  
مَسْئُولٌ عَنْهُ كَانَ أُولَئِكَ

**Meaning:**

“And do not pursue that of which you have no knowledge. Indeed, the hearing, the sight and the heart - about all those [one] will be questioned” (QS. Al-Isra:36).

In *Kamus Besar Bahasa Indonesia* (2008) the meaning of interest is the high tendency towards something, joy, and attention. Interest is an intrinsic motivation in which learning the power becomes a driving force for someone to carry out activities diligently and tend to be calm, while the activity is a process of learning experiences that are carried out with full awareness and brings pleasure and joy.

According to *Pusat Pembinaan, Akuntan Jasa dan Penilai* (PPAJP), the development of accountant in Indonesia is still low at 4% per year (Febriyanti, 2019). The following is the number of accountant developments in Indonesia.



Figure 1: The number of accountant development and the *Kantor Jasa Akuntan* (KJA) in Indonesia in 2014-2017.

Harianti (in Febriyanti, 2019) explains that this phenomenon indicates a lack of interest in Accounting students to become accountants. This interest is a desire of students to work as public accountants. The data of ASEAN Federation of Accountants (AFA) on website [ASEANaccountants.org](http://ASEANaccountants.org) (Ari, 2017) show that Accounting students who graduate in Indonesia every year in the 2014 period reached 35,000 people (mostly in ASEAN). However, when compared to the number of professional accountants in ASEAN countries, Indonesia only occupies the 5th position with 20,000 people. The data shows that there is no synergy between the profession and academics. That is why

Indonesia has the largest number of graduate every year, but only a few have interest in becoming professional accountants. Every year, the university approves Accounting graduates who obtain accounting degree (S.E), but only a few of them are willing to practice as accountants, while others prefer in the other professions (Ari, 2017).

Accounting students who have completed their undergraduate degree can choose alternative choices in their careers. First, those who have completed undergraduate accounting education can work right after being graduated. The fields of work available for these graduates are quite various, including as an entrepreneurs (acting as managers in their own companies) and as employees working for companies or government agencies. The second, they can continue their education to the next level, which is S2 or graduate program. The third is continuing professional education until becoming a public accountant. To become a public accountant, they need to continue to Professional Accountant education and obtain accountant degree (S.Ak). In general, one of the Accounting students desire is to become a professional in Accounting (Sari, 2015).

At present, the Accounting department is one of the departments that are in high demand. Most students choose the Accounting department because their desire are motivating themselves to become accountant (Benny, 2006). There are several types of accountant professions: Public Accountant (An accountant who works in public accounting firms), Government Accountant (An accountant who works in government agencies), Corporate

Accountant (An accountant who works in companies), and Educating Accountant (An accountant who works in educational institutions as an educator). Every Accounting profession has different roles and responsibilities (Asmoro, 2016).

In choosing a career as an accountant, every student must have an interest in it. Accounting students certainly have many considerations to determine whether or not the careers are the best for them. Therefore, a stimulation is needed to make students start thinking seriously about their desired careers since they are in college so that students can take advantage of being in campus and the facilities optimally (Yusran, 2017). The factors that influence the career selection of students and the types of careers they will undertake are interesting things to study. It is because, with the knowledge of career selections that students are interested in, people are able to know the reason why a student chooses the career (Rahayu, 2003).

Relevant research regarding factors that influence the interest of an Accounting student in choosing a career as a public accountant has been widely carried out, but the results of the research are still different. Research conducted by Suyono (2014) examines the analysis of factors affecting career selection as public accountant. The results show that partially financial reward factors, professional training, social values, labor market, and personality considerations have influence on career selection as a public accountant, while the factors of professional recognition and work

environment do not significantly influence career selection as a public accountant.

Fifi (2014) examines the analysis of factors affecting interest of Accounting student career selection as public accountant. The results of the analysis show that intrinsic values, labor market considerations, and work environment do not have significant influence to the interest of Accounting students to become public accountants, while income has a significant effect on the interest of Accounting students to become public accountants.

The research of Umar (2014) examines the factors influencing students' career selections in Accounting. The results show that self-desire and prospects have a significant influence on the choice of Accounting students among the study group. There is a significant relationship between personal interest, parental influence, and career selection in Accounting. Then, the relationship between prospects, prestige, better salary, and career selection in Accounting are significant too.

Humayon (2018) examines the effect of family influence, personal interest and economic considerations on career selection amongst undergraduate students in higher educational institutions. The results of the regression analysis show that family influence, personal interest, and economic considerations influence the career selections of students.

Based on previous studies, they show different results. It is because the independent variables used are different. The difference makes researcher

interested in doing research again to get better results. In this study, researcher will examine several factors that influence the interest in Accounting student career selections as public accountants. These factors are professional training, prospects, personal interest, and family influence.

Professional training is a consideration for students, especially from Accounting who choose the accountant as a profession (Stolle, 1976). Professional training is important for a company, that is why several companies conduct training in advance for their employees. This aims to support them in doing their tasks because they need to follow the standards of professional that exist in the company. So, they can increase their potential and skills (Widiatami, 2013).

Future job opportunities play the most important role in determining the major of the students. It is because someone will choose a career in the future that will bring him success (Francisco, 2003). Prospects are the power of encouraging students to pursue career selections in Accounting (Umar, 2014). Chong *et al.* (2013) explain that prospects define career development as a long-term career prospect that relates to employee development, which is how companies provide opportunities for progress and promotion for their employees.

Personal interest means the interests of students in their chosen profession. Personal interest can be learned from parents, from friends, at school, and from life experience. In motivating people to do the right thing

and do what they like, interest plays a very important role. How strong the interest and motivation are, they will encourage someone to do so wholeheartedly (Humayon, 2018).

The influence of parents on career selections in students is a big decision of parents for students. In this case, parents play an important role because they suppress their children's career selections in many ways, such as direct inheritance, apprenticeship, and role models. Parents want their children to have safe and luxurious careers. When parents want their children to succeed, they will also become depressed if their children choose the wrong career. That is why parents do their best to find careers that will be right for their children (Humayon, 2018).

Based on the explanation above, the research examines the factors affecting the interest of Accounting student career selection. The factors used are professional training, prospect, personal interest and family influence. The sample was taken from the population of senior students of Universitas Muhammadiyah Yogyakarta. Then, the researcher decides to conduct a study entitled **“THE FACTORS AFFECTING INTEREST OF ACCOUNTING STUDENTS CAREERS SELECTION AS AN ACCOUNTANT (A Case Study of Accounting Students 2016 at Universitas Muhammadiyah Yogyakarta)”**.

**B. Research Questions**

1. Does the professional training have a positive effect on the interest of Accounting students career selection as an accountant?
2. Does the future prospect have a positive effect on the interest of Accounting students career selection as an accountant?
3. Does the self-desire have a positive effect on the interest of Accounting students career selection as an accountant?
4. Does the family influence have a positive effect on the interest of Accounting students career selection as an accountant?

**C. Research Objectives**

1. To examine whether the professional training has a positive effect on the interest of Accounting students career selection as an accountant.
2. To examine whether the prospect has a positive effect on the interest of Accounting students career selection as an accountant.
3. To examine whether the personal interest has a positive effect on the interest of Accounting students career selection as an accountant.
4. To examine whether the family influence has a positive effect on the interest of Accounting students career selection as an accountant.

#### **D. Research Benefits**

The benefits of this research are as follow:

1. Theoretically

- a. The implementation of related theory and adding literature about career selection.
- b. As reference and comparison to similar research.

2. Practically

- a. To university as a subject

This research is expected to be input on policy making and a programme about Accounting student career development.

- b. To researcher

This research adds the researcher knowledge in choosing career objectively, and in fulfilling one of the requirements of bachelor degree at Universitas Muhammadiyah Yogyakarta.

- c. To company and institution

This research is expected to help understand what an accountant candidate needs in career selection and is used to make a policy of human resources.