

EVALUATION OF ACCOUNTING EDUCATION AND THE EXTENT OF COMPATIBILITY AND THE LABOR MARKET NEEDS (FIELD STUDY: EXTERNAL AUDITORS AUDITIN JORDAN)

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ABSTRACT

This study aimed to Evaluation of Accounting Education and The Extent of Compatibility and the Labor Market Needs. The study community consisted of external auditors audit in Jordan. The researcher adopted an analytic and descriptive approach for the sake of this study. The questionnaire of the research was designed and distributed among a purposive sample consisted of 250 of the above-mentioned parties. The researcher was able to retrieve (240) answered the questionnaire. The study revealed that the respondents think that the skills of the accounting graduates' suitability with the needs of the labour market and have a significant statistical impact. The study proposes several recommendations, most important of all, placing additional focus on improving skills of the accounting graduates, especially improving the ability to apply accounting practices through providing the students with practical training on how to apply these practices and improving students' technical and functional skills by focusing on improving their ability to use information technology and accounting software, this can be achieved through specifying a portion of the offered courses as a practical portion to train students on using these programs.

Keywords: Evaluation, Accounting Education, Labor Market

INTRODUCTION

Accounting education plays a significant role in providing an accountant with the needed knowledge, skills, and competencies needed for the labor market. These skills, knowledge, and competencies are considered the base that accountants use in order to improve the current accounting practices in a certain institution (Ayrooti, 2012). The importance of the accounting education can be seen from the ability of accountants to add value to the businesses they are working in and the ability of accountants to improve the application of current accounting practices in a way that contributes to the accomplishment of business objectives (Eshmila & Tarali, 2013).

The importance of highly skilled accountants has emerged in today' business environment for different reasons, mostly because of the complexity of business transactions, moreover, current accounting standards require fair disclosure of all financial information, this can only be attained by having highly skilled accountants who are familiar with both the accounting standards and the specific requirements of the business. In order to ensure that

accounting colleges produce skilled and qualified accounting students, there must be a focus on different learning aspects in which the applied accounting curricula and the accounting syllabus should have complied with the needs of the labour market (Matar & Noor, 2015).

The general focus of accounting education is more on the practical side rather than the theoretical side and a gap exists between the actual knowledge gained by the students and the business environment's requirements (Botes & Sharma, 2017). The field of accounting is of great importance in many countries and also in America, but in America, it still requires an overhaul in regards to the development of the field. Developing countries need to lay more impotence to completely reform this field for meeting the business's needs and requirements and achieve greater quality (Alrewayate, 2007).

The Problem of the Study

The need for accounting is ever-growing and it is difficult to specify the necessity due to the dynamic nature of the global businesses, requirements of the accounting profession and the requirements for accountants in the job market (Milne, 2001; Zraa, Kavanagh & Hartle, 2011). Two decades prior, it was stated by the Accounting Education Change Commission (AECC) that the foundation of the field must be strongly built in order to strengthen the life-long learning experience so that the students in the field have complete and strong knowledge and a firm grip on the field. The students must be taught the skills required in the business world and how to make use of these skill in the global business environment. Students must also be able to adapt themselves to the dynamic environment of the business and the workplace and must be able to face any challenge which opposes them in their professional and personal lives. Thus, while the purpose of accounting education cannot exclude the technical capabilities, it is evident that the purpose, as emphasized by Hassall, Joyce, Arquero Montano & Donoso Anes (2005) have emphasized in their studies that for a wholesome learning experience, the students must be taught non-accounting capabilities as well as soft skills, when they are learning about the field of accounting, and not only the technical capabilities and Boyce, Williams, Kelly & Yee (2001) also agree with the latter.

'Soft skills' incorporate many different useful skills; communications skills, ability to adapt to changes, compassion, embracing diversity, etc. (Dixon, Belnap, Albrecht & Lee, 2010; Perreault, 2004). "Soft skills" must be mandatory and must be incorporated by every educational institute along with tertiary accounting education. A lot is expected from the accountants of this century; it is stated by the American Institute of Certified Public Accountants (AICPA) that the accountants of today's world are expected to link the ascertained data and the set of knowledge acquired in order to assist strategic decision making by providing high-quality advice and must be able to give and exchange useful and meaningful information. Today's accountants must also be able to influence and motivate others (AICPA, 2011). Today, along with all the technical and soft skills, the ability to strengthen the strategic advice must also be of immense importance and is required by all businesses (Beard & Schwieger, 2008).

Despite the increased number of accounting education institutions and the increased number of graduates, there are still many concerns regarding the quality of the accounting education outcomes (Eshmila & Tarali, 2013). The development process for accounting education is prioritized in the developed countries in order to keep up with the ever-changing business environment, on the other hand, different studies have proposed that there are weaknesses in the accounting education in the developing countries (Al Buhaisi, 2016). The aim of this study was to answer the following question:

Q. What is the Evaluation of Accounting Education and The Extent of Compatibility and the Labor Market Needs from the perspective of Auditing and Accounting Offices in Jordan?

To answer the aforementioned question, the researcher sought answers to the following sub-questions:

- 1) What is the suitability of the skills of the accounting graduates to 'with the labour market needs?
- 2) What is the extent of suitability of the accounting curricula in the universities with the labour market needs?

Objectives of the Study

The prime aim of this study is Evaluation of Accounting Education and The Extent of Compatibility and the Labor Market Needs (Field Study: Auditing and Accounting Offices in Jordan). To achieve the prime aim /objective, the following are the specific objectives proposed to be accomplished by this study:

- 1) To investigate the sustainability of accounting graduates' skills in accordance with the needs of the labour market.
- 2) To investigate the suitability of the accounting curricula in the universities with the labour market needs.

The Importance of the Study

The researcher divided the importance of the study into some elements;

Scientific Importance: The scientific importance of this study is through the addition of theoretical information in the field of accounting, which contributes to enriching the Arab library with a recent study on the role of Accounting Education and The Extent of Compatibility and the Labor Market Needs in the current study.

Practical Importance: This study will deal with many studies related to accounting education, reference to previous Arab and foreign studies and knowledge of the experiences of others, which gives this study special importance. Where its findings and recommendations are the starting point for future studies in this area.

Literature Review and Hypothesis Development

There are many factors that have been contributing to the purpose of accounting education; demand-supply of the accountants, accounting profession requirements and the business atmosphere (Zraa et al., 2011). What should and shouldn't be taught to the students is determined with the help of all the aforementioned factors. Flood & Wilson (2008) laid importance on the fact that the accounting students' understanding of concepts and principles underlying the accounting business practices must be fostered by accounting education. It was noticed by the American Accounting Association that there is a gap between what is taught to accountants and what is done by the accountants. Hence established, changes should be made to the overall accounting education to meet the ever-changing needs of the dynamic profession and resort to the acquisition of diverse knowledge. A high level of competence is required by the accountants and they must maintain and endlessly promote it to meet the ever-changing diverse demands of the accounting services. The Education Committee of the International Federation of Accountants (IFAC, 2002) has identified some core components/skills, in order to deal with the diverse work environment and to tackle complex challenges, such as leadership skills, strategic

thinking and interpersonal skills. The key role of academics the field of accounting has been highlighted by many academic scholars, how it plays a pivotal role in developing critical thinking and intellectual capacity of the students (Jackson, 2009; Carmona, 2013; Jackson, 2016). A crucial thing, an important gap between the accounting graduates' performance, has been observed by a number of authors; this affects the professional competencies and practices of the graduates when approaching the job market and they fall short of the requirements (Bui & Porter, 2010; Stephenson, 2017).

It is an established fact and Zraa, et al., (2011) also back it up, which is, accounting education prepares the accounting students to excel in the job market. With all the latter research and studies, it has been established/perceived the accounting education is not sufficient on its own, it must be supplemented with a variety of skills, ability to adapt to the dynamic work environment and the ability to tackle challenges in personal and professional lives. The emphasis on technical skills is also given by Kermis & Kermis (2010) but they also acknowledge that technical skills, on their own, are not sufficient for a graduates' selection, retention and promotion. Skills such as time management, emotional intelligence, career skills and other various important soft skills such as public speaking and compassion and teamwork are also important in accounting education (Kermis & Kermis, 2010).

According to Sharma (2017). A gap in Management Accounting Education (MAE): fact or fiction "The aim of this paper is to gather data and look into the gap which exists between the management accounting practices and education". There are four perspectives of balanced scorecard from which management accounting education is scrutinized. The existing gap between the MAE and accounting practices is further explored by this study and it aims to address that with the help of four perspectives mentioned before. Sugahara & Watty, (2016) have contributed to the ongoing investigation in the overall accounting academic perceptions on global accounting education convergence from other countries and also their contextual factors' beliefs; Australia and Japan. The research sample for the questionnaire were the teachers in universities of the aforementioned countries at undergrad and postgrad levels related to the field of accounting. The contextual factors have variable similarities and differences which have an influence on the observations about global convergence as unveiled by the results. A link between the respondents' view of global convergence and academia has been identified by many authors in their prior studies. Ali, et al., (2016) the study aimed to assess employers' and educators' perception regarding the importance of knowledge taught in higher education as well as embedded in accounting students' soft skills. The analysis results revealed that there are statistically significant differences between the perception of the employers and educators in regard to the soft skills that accounting students should have. One of the main recommendations of the study is that if there were any differences in the perception the skills and knowledge, it should be incorporated in accounting education programs and that there should be initiatives to synergize the role of employee and educators. Samsuddin, et al., (2015) the aim of this study was to examine the motive, awareness and willingness for proper professional accounting education in Malaysia.

Instigating awareness and interest regarding professional accounting education in the minds of the students; this can be achieved by good promotional educational. A mix of extrinsic and intrinsic motivations have also been found to be the main factors which drive the students toward pursuing professional accounting education. The students must be made aware and all the influential factors on the decision to pursue professional accounting must be learned and their priorities must be set straight.

Al-Zamli (2014) The aim of the study was to identify the role of the accounting education in improving the vocational skills of the accounting graduates from AL Qadisiyah University, in specific, the aim of the study was also to identify the role of the accounting education in improving the intellectual, technical, practical, and personal skills, as well as to assess the role of the accounting education in improving the communication and business skills for the graduates. A positive link between the standards of the National Commission for Evaluation and standards of accounting education has also been observed. One of the many imperative studies' recommendations was the need to adopt the standards of accounting education issued by the International Federation of Accountants by the academic accreditation and accreditation bodies. Furthermore, Paisey & Paisey (2010) conducted a study; a juxtaposition of the soft skills development between an accountant with and without a work placement. The results concluded that placements played an imperative role in the development of various soft skills for the graduates. Based on the literature review presented in this study, and in line with the enumerated research questions and objectives presented, the following hypotheses are formulated in this study:

H₁: The accounting graduates' skills are unsuitable to with the labour market needs.

H₂: Accounting curricula in the universities are unsuitable to with the needs of the labour market.

METHODOLOGICAL

For effective research, it is imperative to select an appropriate research methodology. An appropriate research design is important to determine the type of data needed, the method of collecting the data, and type of sampling technique to apply. Therefore, the research design is very crucial to actualizing the research objectives (Bhatti, Hair & Sundram, 2012). This study applied quantitative research design. The quantitative research design will enable the researcher to test the relationship between the research variables. It will also enable the researcher to unvaryingly determine if one concept or idea is better than It can also respond to questions on the relationships that exist among measured variables to elucidate, envisage, as well as controlling phenomena (Sekaran & Bougie, 2010). Thus, a quantitative research design is an appropriate method for this study since it permits testing the relationship between variables with the use of statistical approaches (Sekaran & Bougie, 2013). This is in line with the main objective of this study that focuses on examining the Evaluation of Accounting Education and The Extent of Compatibility and the Labor Market Needs. Quantitative research also permits to carry out analysis using a large sample to generalize the results among a set of population.

Population and Sampling

The population size of this study consists of (480) external auditorsaudit, (Association of Certified Public Accountants). The appropriate sample size for a population size of 480 is 250. According to the recommended as suggested by Sekaran and Bougie (2010). Hence, 250 questionnaires distributed to the targeted.

Data Analysis

The Statistical Package for Social Science Program (SPSS) was used for the data analysis. The researcher used the following statistical tools:

- 1) Kolmogorov -Smirnov test of normality.
- 2) Pearson correlation coefficient for validity.

- 3) Cronbach's Alpha for Reliability Statistics.
- 4) Frequency and Descriptive analysis.
- 5) One-sample T-test.

INSTRUMENT RELIABILITY AND VALIDATION

Validity

Construct validation includes content, convergent and discriminate validities (Antonio, 2007). Therefore, questionnaire's validity was ensured, content validity was tested, which an initial questionnaire's version was pretested and reviewed by various academic persons, whose notes, remarks and comments were taken into consideration prior to producing the final version of the questionnaire. Cronbach alpha analysis was used first as a common approach to ensure the reliability of a survey and then Confirmatory Factor Analysis (CFA) was used. Cronbach's alpha was used in order to carry out a reliable test, this measures a constructs internal consistency. In order to indicate an acceptable reliability degree, an alpha coefficient of at least 0.70 is required (Baumgartner, Strong & Hensley, 2002).

Cronbach's Coefficient Alpha

Table 1 shows the Cronbach's alpha values for each field (including the entire questionnaire). The range shoed in the table is considered high; the reliability is guaranteed from each field of the questionnaire. Cronbach's Alpha equals (0.931) for the entire questionnaire which refers to a high level of reliability of the entire questionnaire. Thus, the questionnaire was proved to be valid and reliable.

TABLE 1		
CRONBACH'S ALPHA FOR EACH FIELD OF THE QUESTIONNAIRE		
No	Field	Cronbach's Alpha
1	Accounting graduates' skills	0.944
2	Suitability of the accounting curricula	0.931
All items of the questionnaire		0.931

Test of Normality

Table 2 depicts the results of the Kolmogorov-Smirnov test of normality. From the Table below, each variables' P-value is more than 0.05 significance level, therefore the allocations are done in a normal manner for these variables. Parametric tests are used to perform statistical data analysis as a result.

Table 2			
KOLMOGOROV - SMIRNOV TEST			
No	Field	Kolmogorov-Smirnov	
		Statistic	P-value
1	Accounting graduates' skills	1.199	0.115
2	Suitability of the accounting curricula	1.007	0.264
All items of the questionnaire		1.103	0.189

Data Analysis

Accounting Graduates' Skills

This part aims to describe the results of the data analysis for the collected data from to Sample of the study. Table No. (3) Below shows the data analysis results for the aspect (skills of the accounting graduates). The results of the analysis of this aspect revealed the following:

The mean of (skills of the accounting graduates) =3.86, Test-value=16.5, and P-value=0. Which is greater than the significance level 0.05. We conclude that the respondents they think so as to skills of the accounting graduates' suitability with the needs of the labour market.

The mean of item (2) "my university contributed to improving my skills and abilities to analyze financial transactions in the Organizations."=4.11, Test-value=19.3, and P-value=0.353 which is greater than the significance level 0.05. We conclude that the respondents believe that the contribution of the university in Related to this item is high.

The mean of item (5) "The university helped me improving my abilities to commit to deadlines to deliver the required outcomes." equals 3.37, Test-value=7.0, and P-value=0 which is greater than the level of significance 0.05. We conclude that the respondents believe that the contribution of the university in Related to this item is moderate.

Suitability of the Accounting Curricula

Table No. 4 below shows the data analysis results (skills of the accounting graduates). The results of the analysis of this aspect revealed the following:

The mean of (suitability of the accounting curricula) =3.67, Test-value=-12.5, and P-value=0. Which is greater than the significance level 0.05. We conclude that the respondents think that the skills of the accounting graduates' must resonate with the labour market needs.

No	Skills of the accounting graduates	Mean	S. D	Test value	P-value (Sig.)
1	My university contributed to improving my skills in regard to the accounting practices applied in the Organizations.	3.93	0.84	16.5	0
2	My university contributed to improving my skills and abilities to analyze financial transactions in the Organizations.	4.11	0.86	19.3	0
3	The university helped me improve my skills to use statistical programs and accounting programs.	3.86	0.74	17.4	0
4	My university helped me acquire financial analysis skills and to write sound and clear reports.	3.88	0.78	16.8	0
5	The university helped me improving my abilities to commit to deadlines to deliver the required outcomes.	3.37	0.79	7	0.01

6	The university provided me with the needed knowledge to identify financial transactions that may result in misstatement in the financial Statements.	3.94	0.8	17.5	0
7	The University has contributed to improving my skills in regard to working with people with different cultural and intellectual backgrounds.	3.88	0.82	16	0
8	My university helped me improve my managerial skills (planning, decision making, and monitoring).	3.89	0.78	17	0
All items of the field		3.86	0.8	16.1	0

Table 4
MEAN AND TEST VALUES FOR SKILLS OF ACCOUNTING GRADUATES' SKILLS

No	Skills of the accounting graduates	Mean	S. D	Test value	P-value (Sig.)
1	Curricula in the University play a major role in developing greater relevant scientific knowledge of the graduate.	3.66	0.82	12	0
2	Accounting curricula includes a package of practical training with the corresponding theoretical study.	3.71	0.8	13.3	0
3	There is sufficient post-grad research to form a cohesive statement on the accounting education programs' practical problems.	3.55	0.83	9.9	0
4	Important financial data/information can be provided and financial statements can be made by the accountant after successfully studying financial accounting.	3.71	0.71	14.9	0
5	Management accounting can aid the accountants in helping the managers and also give them an edge to control operational activities.	3.76	0.81	14	0
6	Tax accounting can enable the accountant to ensure proper management of the accounts in accordance with the tax and law instructions.	3.69	0.83	12.4	0

7	An auditing course can help the accountants to keep a record of all the related activities and errors, detect and prevent fraud and such activities.	3.61	0.8	11.4	0
8	There is no inadequacy affecting the graduates' efficiency in the accounting curricula.	3.65	0.82	11.8	0
All items of the field		3.67	0.8	12.5	0

The mean of item (5) "Management accounting can aid the accountants in helping the managers and also give them an edge in controlling operational activities."=3.76, Test-value=14.0, and P-value=0 which is greater than the significance level 0.05. We conclude that the respondents believe that the contribution of the university in relation to this item is high.

The mean of item (3) "there is sufficient post-grad research to form a cohesive statement on the accounting education programs' practical problems."=3.55, Test-value=9.9, and P-value=0 which is greater than the significance level 0.05. We conclude that the respondents believe that the contribution of the university in relation to this item is moderate.

CONCLUSION

The results of this research are discussed below; data analysis revealed that the contribution of the university toward improving the accounting graduates' skills is High, the mean of (skills of the accounting graduates) equals 3.86, Test-value=16.5, and P-value=0.

Moreover, the results of the data analysis also revealed positive responses about the contribution of the university toward improving skills of the accounting graduates, the results revealed that the university has a high role, The mean of (suitability of the accounting curricula) equals 3.67, Test-value=-12.5, and P-value=0.

RECOMMENDATIONS

1. Placing additional focus on improving the accounting graduates' skills, and also work on them so they are able to apply those accounting skills and practices through providing the students with practical training on how to apply these practices and improving students' technical and functional skills by focusing on improving accounting students' ability to use information technology and accounting software; all this can be achieved through specifying a portion of the offered courses as a practical portion to train students on using these programs.
2. It is recommended to improve the cooperation between Jordanian universities and the private sector for the sake of improving the current education programs and to link it with the Labor Market Needs.
3. Creating an accounting focused committee comprising of professional accountants as supervisors. These supervisors must be experts in the field and must have a firm grip overall the knowledge and technical expertise; all these must be in harmony with the needs of the job market.
4. Make sure that when the graduates land in the job market in the future, they have all the necessary skills to carry out the required tasks.

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