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Social Factors in Career Choices of Accounting Students in the Public Accounting Field

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Abstract

The importance of a person's career is growing in society as a result of the increasingly modern and progressive times. A person's social standing in the eyes of society might rise in proportion to the quality of their career. One of the occupations with strong prospects nowadays is public accounting. The purpose of this study was to examine the influence of social factors on the career choices of public accounting students. There are 1,595 students enrolled in accounting programs at Batam City University. The Slovin formula was utilized to obtain a sample of one hundred accounting students. Because they have already received instruction in public accounting, the students chosen for this subject are at least in their fifth semester. Respondents will receive a questionnaire via Google Forms, which will be used to gather data. SPSS software will then be used to process the data and measure it using a Likert scale. The validity and reliability tests, multiple regression analysis, descriptive statistical analysis, the traditional assumption tests (normality, multicollinearity, and heteroscedasticity), and hypothesis testing are all used in this study (F-test, t-test). The study's findings demonstrate that, in part, the work environment and monetary incentives have a favorable and noteworthy influence on accounting students' desire to become public accountants. Social values, on the other hand, significantly hinder accounting students' desire to pursue careers as public accountants. The work environment, social ideals, and financial incentives all have a big impact on students' enthusiasm in becoming public accountants.

Keywords: Social Factors; Financial Rewards; Work Environment; Social Values; Public Accountants

1. Introduction

A career plays an important role in society because it has a significant impact on an individual. The importance of a career makes them have to make the right choices in order to achieve success and prosperity. A career consists of experiences in the working world or a series of activities in the working world. Choosing a career in the future is also a difficult decision for accounting students. Where, after graduating with a bachelor's degree in Accounting, many types of careers can be chosen. (Furqano Annasa Essera et al., 2022). One of the career options aligned with an accounting education is pursuing a career in public accounting. Public accountants are viewed as a promising and secure profession because the profession of public accountants falls into the category of prestigious professions in Indonesia (Suyono, 2014). Prestigious professions are those that require professional expertise, thus necessitating formal and certified education. In addition to having a bachelor's degree, to become a public accountant, one must also pass the exam conducted by the Indonesian Institute of Accountants (IAI) and register with the Ministry of Finance to practice as an accountant. (Luthfitasari & Setyowati, 2021).

Although public accounting is a potential career path in Indonesia, very few accounting students are interested in becoming public accountants, especially in Batam. The following Table 1 compares the number of public accountants in Batam with the number of accounting students at universities in the city of Batam, which shows the low interest among accounting students:

Table 1. Comparison of the Number of Public Accountants and Accounting Students in Batam City

| No | Nama Akuntan Publik | Mahasiswa Akuntansi di Universitas Kota Batam | |
|----|--------------------------------|---|------|
| 1 | Artoni | Universitas Batam (UNIBA) | 81 |
| 2 | Halim Wijaya | Universitas Internasional Batam (UIB) | 524 |
| 3 | Petrus Dharmanto Andreas | Universitas Universal (UVERS) | 128 |
| 4 | Riyanto, S.E., Ak. | Universitas Riau Kepulauan (UNRIKA) | 354 |
| 5 | Dony | Universitas Putera Batam (UPB) | 508 |
| 6 | I Wayan Madiarta | Totally | 1595 |
| 7 | Marzuki Ramli | | |
| 8 | Halim Wijaya | | |
| 9 | Petrus Dharmanto Chandradinata | | |
| 10 | Robin | | |
| 11 | Supriyanto | | |

Sumber: <https://pppk.kemenkeu.go.id> dan <https://pddikti.kemdikbud.go.id>

The ratio of public accountants to accounting students in Batam City is 1:145, which indicates that students have relatively little interest in becoming public accountants, according to the data above. Salary is one of numerous job-related social factors that contribute to Batam City's low number of public accountants. Since public accounting has been seen as a prominent career, it is not unusual for students to expect extremely high salaries given the prestige of the field. The financial success of public accountants, on the other hand, is rarely mentioned. Furthermore, another factor contributing to accounting students' lack of interest in a career as public accountants is the demanding work environment. The audited company's internal and external parties' supervision during the audit will undoubtedly increase the auditor's workload (Febriyanti, 2019). In the meantime, an auditor's strong adherence to societal norms is the ultimate reason. Indirectly, this is supported by the requirement that public accountants have dependable non-technical skills in addition to technical expertise and social skills (Asmoro et al., 2016). Given the preceding explanation of the issue, research is considered vital to analyze the social elements that influence accounting students' career choices in the public accounting area.

2. Research Methodology

Quantitative research is the kind of study. All 1,595 accounting students in the city of Batam who were enrolled in the forlap dikti as of the second semester of 2021 and were enrolled in classes during the odd semester of the 2021–2022 academic year comprise the group identified in this study. Purposive sampling and the Slovin method were used to select 100 accounting students in Batam who were enrolled in their fifth semester or above (Timpoporok et al., 2019). The selection of students in their 5th semester or higher was made considering that these students have already received instruction on public accountant subjects. The type of data used by the researchers in this study is primary data (Murdiawati, 2020). The research subjects, which were accounting students in the city of Batam, were given questionnaires to complete in order to gather the data that the researchers employed. In order to collect data for this study, the sample was given questionnaires via the Google Form platform (Arista et al., 2017). The variable measurement tool used by the researcher is the Likert scale. The analysis techniques used in this research are data quality tests (validity and reliability tests), classical assumption tests (normality test, heteroscedasticity test, and multicollinearity test), and hypothesis tests (F test, T test, multiple linear regression analysis) (Sugiyono, 2017). Data and hypothesis testing techniques were conducted with the help of the SPSS Application.

3. Result and Discussion

3.1. Results

The obtained R-table was 0.197. Table 2 shows that every statement has an r-count higher than 0.197, indicating the validity of every statement instrument used in the study.

Table 2. Validity

| Statements | r count |
|------------|---------|
| Y1 | 0,511 |
| Y2 | 0,623 |
| Y3 | 0,682 |
| Y4 | 0,520 |
| Y5 | 0,530 |
| Y6 | 0,603 |
| X1.1 | 0,770 |
| X1.2 | 0,615 |
| X1.3 | 0,714 |
| X1.4 | 0,798 |
| X1.5 | 0,446 |
| X2.1 | 0,559 |
| X2.2 | 0,736 |
| X2.3 | 0,574 |
| X2.4 | 0,679 |
| X2.5 | 0,578 |
| X2.6 | 0,610 |
| X3.1 | 0,748 |
| X3.2 | 0,481 |
| X3.3 | 0,759 |
| X3.4 | 0,641 |
| X3.5 | 0,741 |

Table 3. Reliability

| Variabel | Cronbach's Alpha | Number Of Items |
|---|------------------|-----------------|
| Students' interest in pursuing a career as public accountants | 0,602 | 6 |
| Financial Award | 0,698 | 5 |
| Work Environment | 0,679 | 6 |
| Social Values | 0,702 | 5 |

The reliability of a variable can be seen from the Cronbach's Alpha value, where all values are greater than 0.05, thus it can be stated that the variables in this study are reliable.

Table 4. Normality

| | | <i>Unstandardized Residual</i> |
|--|-----------------------|--------------------------------|
| N | | 100 |
| <i>Normal Parameters^{a,b}</i> | <i>Mean</i> | .0000000 |
| | <i>Std. Deviation</i> | 1.79735453 |
| <i>Most Extreme Differences</i> | <i>Absolute</i> | .081 |
| | <i>Positive</i> | .081 |
| | <i>Negative</i> | -.081 |
| <i>Test Statistic</i> | | .081 |
| | | <i>Unstandardized Residual</i> |
| <i>Asymp. Sig. (2-tailed)</i> | | .098 ^c |

Based on Table 4, it can be seen that the Asymp.sig (2-tailed) value of 0.098 is greater than 0.05, indicating that the data is normal in this study.

Table 4. Multikolinierity

| Independen Variabel | <i>Tolerance Value</i> | VIF Value |
|---------------------|------------------------|-----------|
| Financial Award | 0,644 | 1,552 |
| Work Environment | 0,528 | 1,895 |
| Social Values | 0,483 | 2,072 |

Table 5 proves that there is no multicollinearity among the independent variables, as seen from all the Tolerance values being greater than 0.10 and the VIF values being less than 10.

Table 6. Heterokedasticity

| Independen Variabel | Sig |
|---------------------|-------|
| Financial Award | 0,752 |
| Work Environment | 0,057 |
| Social Values | 0,644 |

The absence of heteroscedasticity symptoms can be seen in Table 6, where the sig values of all independent variables are greater than 0.05.

Table 7. Multiple linear regression and the results of the t-test

| Variabel | Regression Coefficient | Error Standart | T Value | Sig |
|------------------|------------------------|----------------|---------|-------|
| (Constant) | 11,259 | 2,860 | 3,937 | 0,000 |
| Financial Award | 0,230 | 0,111 | 2,078 | 0,040 |
| Work Environment | 0,431 | 0,129 | 3,348 | 0,001 |
| Social Values | -0,412 | 0,141 | -2,918 | 0,004 |

Through table 7, the multiple linear regression equation in this study can be seen as follows:

$$Y = 11,259 + 0,23X_1 + 0,431X_2 - 0,412X_3 + \varepsilon$$

According to the results of the partial hypothesis test, accounting students' motivation in pursuing a career in public accounting is strongly influenced by the work environment and financial incentives. The fact that the sig values of 0.040 and 0.001 are less than 0.05 suggests this. However, as seen by the sig value of 0.004, which is less than 0.05, social values significantly and partially lower accounting students' enthusiasm in pursuing a profession in public accounting.

Table 8. F-test

| Model | Sum of Squares | Mean Square | F | Sig |
|------------|----------------|-------------|--------|-------|
| Regression | 136,932 | 34,233 | 10,169 | 0,000 |
| Residual | 319,818 | 3,367 | | |
| Total | 456,750 | | | |

Simultaneously, all independent variables have a positive and significant effect on accounting students' interest in choosing a career in public accounting. This is evidenced by the sig value of 0.000 being less than 0.05.

3.2. Discussion

3.2.1. Financial Rewards Significantly Influence Accounting Students' Interest in a Career as Public Accountants

Accounting students are drawn to a career in public accounting due of the profession's high potential. Students are further encouraged to pursue a career in public accounting by the financial incentives, often known as fees, that public accountants get. Students' expectations are met by the high income that public accountants earn for their labor, which influences their decision to pursue a career in this sector. This research is in line with the studies conducted by (Rahmadiany & Ratnaati, 2021) and (Tetteh et al., 2022), where both studies state that financial rewards influence the career choices of students in the field of public accounting.

3.2.2. The Work Environment Significantly Influences Accounting Students' Interest in a Career as a Public Accountant

A career as a public accountant requires careful consideration of a number of aspects, including the work environment. The study's findings indicate that students think public accountants should finish their work fast and with flawless results. The work environment in public accounting puts a lot of pressure on students, yet that doesn't make them less interested in being public accountants. Students think that pressure comes from all sides in every career. This research aligns with the study conducted by (Bhat & Khan, 2023) which states that the work environment significantly influences the choice of a career as a public accountant. On the other hand, it contradicts the research conducted by (Asmoro et al., 2016).

3.2.3. Social values have a negative and significant impact on Accounting Students' Interest in a Career as a Public Accountant

Social values like the public's opinion of public accountants as having a good reputation and high pay contribute to the profession's elevated social standing. The more positively the public views public accountants, the less inclined students are to pursue careers in that sector. due to the fact that pupils feel that pressure is increased by the mental strain of cultural views. Apart from the pressures that come from the workplace, there are also pressures from how society views social ideals. This demonstrates how social beliefs have a detrimental impact on the public accounting profession choices of accounting students. This research contradicts that conducted by (Dalci & Özyapici, 2018) and (Suyono, 2014).

3.2.4. Financial rewards, work environment, and social values simultaneously influence

The desire of accounting students to work as public accountants. Students are drawn to a career in public accounting because of the profession's positive reputation in society, the promise of financial benefits as public accountants, and the flexible work schedule despite the demands. This research is in line with (Wen et al., 2018) and (Ariyani & Jaeni, 2022)

4. Conclusion

According to the study's findings:

1. Students' decision to pursue a profession as public accountants is positively and significantly influenced by their work environment and financial incentives.
2. Social values significantly and negatively influence accounting students' career choices in the field of public accounting.
3. At the same time, the choice of public accounting as a career for accounting students is greatly influenced by societal values, the work environment, and financial incentives.

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