

# CHAPTER 1

## INTRODUCTION

### 1.1 Background

In general, choosing a career in accounting majors is the way to start forming a career. A decent and qualified career along with a decent life is the dream of all students. After successfully holding a bachelor's degree, a variety of professional choices can be chosen by them, not only centered on the career of the accounting profession but also depends on the factors considered. In fact in today's work life many accounting scholars must consider these factors.

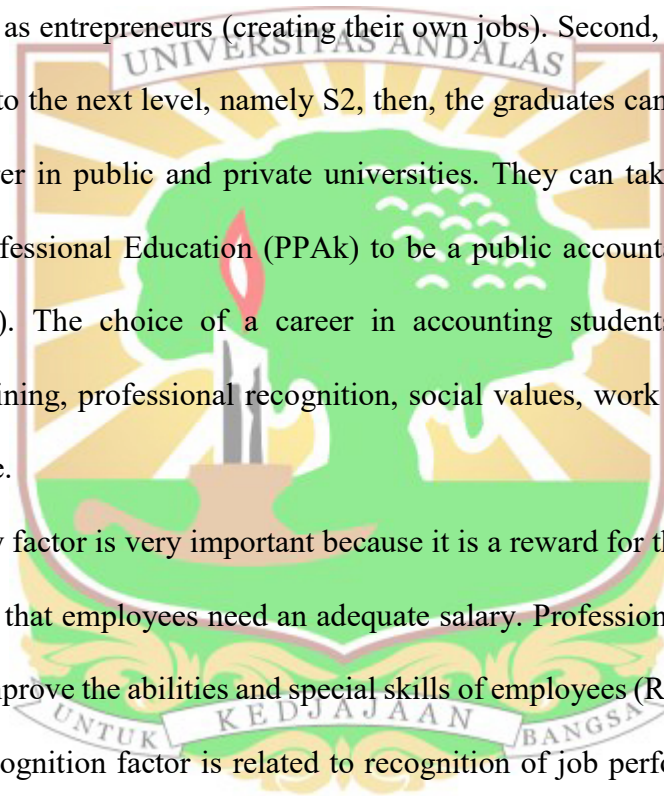
Bachelor graduates are demanded to be more qualified, both in terms of abilities and deeper knowledge in dealing with the world of work. The skills and knowledge needed also depend on the career to be chosen. One career that requires more ability and knowledge is a career in accounting (Chan, 2012). His career in accounting is quite broad including public accountants, company accountants, government accountants, and government accountants. Generally the desire of every accounting student is to become a professional in the field of accounting (Tuanakotta, 2007). Every student in planning his career certainly has factors that influence in determining the profession to be chosen such as the background of professional selection or the expectation of students from the choice.

Accounting education can plan a curriculum that suits the demands of the world of work. So that when students have graduated, students are expected to more easily

adjust their abilities to the demands of the job. If the accounting profession in the future faces increasingly severe challenges, then preparations related to professionalism are needed to support that professionalism (Rahayu, 2003).

There are three types that can be taken in accounting graduates after graduation. First, bachelor graduates can directly work as employees in a company or government agency or work as entrepreneurs (creating their own jobs). Second, they can continue their education to the next level, namely S2, then, the graduates can work as teaching staff or a lecturer in public and private universities. They can take Organization of Accounting Professional Education (PPAk) to be a public accountant (Ramdani and Zulaikha, 2013). The choice of a career in accounting students such as salary, professional training, professional recognition, social values, work environment, and family influence.

The salary factor is very important because it is a reward for the performance of an employee so that employees need an adequate salary. Professional training factors are needed to improve the abilities and special skills of employees (Rahayu, 2003). The professional recognition factor is related to recognition of job performance (Rahayu, 2003). Professional recognition includes opportunities to develop, recognition of achievements, ways to be promoted, and special skills to achieve success (Merdekawati, 2010). Factors of social values include opportunities to carry out social activities, opportunities to carry out hobbies, attention to individual treatment and work with others. The work environment includes routine work, faster work can be



completed, pleasant work environment, attractive work (many challenges), often overtime, the level of competition between employees and work pressure. Factors of consideration of the labor market relate to the availability of employment in the field (Andersen, 2012).

Research by Hutapea (2016) in choosing careers of accounting students has several career choosing factors, including salary, professional recognition, social values, personality, professional training, work environment, market considerations work, and family and friend. The population in this study were undergraduate accounting students at several universities in Medan, North Sumatra, namely HKBP Nommensen University (UHN), North Sumatra University (USU), Medan State University (UNIMED), Indonesian Methodist University (UMI), Muhammadiyah University, North Sumatra (UMSU), Dharmawangsa University, Panca Budi University, Medan Area University (UMA). Furthermore, research conducted by Rahayu (2003) regarding accounting students' perceptions of career selection has seven factors, including salary, professional training, professional recognition, social values, work environment, labor market considerations, and personality. This research was conducted at undergraduate accounting students at State and Private Universities in Jakarta, Yogyakarta and Surakarta

Widyasari (2010) entitled the perception of accounting students about the factors that differentiate career choices made to Diponegoro and UNIKA Soegijapranata University students. They have seven factors such as salary, professional training, professional recognition, social values, work environmental, labor market

considerations and personality. And then research from Purnama (2016) regarding the factors that influence the decline in interest of accounting students in Bandar Lampung towards the public accounting profession, where there are six factors that affect the decline in interest of accounting students in Bandar Lampung towards the public accounting profession namely salary, professional recognition, value social values, work environment, labor market considerations, and intrinsic value of work.

From the four researchers above there are six factors that are the same as researcher such as: salary factors, professional training, professional recognition, social values, work environment, and family influence. However, the four studies have different results. First, the salary factor in Hutapea, Rahayu, and Widyasari's research has a significant effect while Purnama has no significant effect. Second, the professional training factor in Rahayu and Widyasari's research has a significant effect while Hutapea has no significant effect. Third, the professional recognition factor in Hutapea, Rahayu, and Widyasari's research has a significant influence while Purnama has no significant effect. Fourth, the factors of social values in Hutapea, Rahayu, and Purnama research have a significant effect while in Hutapea it has no significant effect. Fifth, work environment factors in Rahayu and Widyasari's research have a significant influence while Hutapea and Purnama do not have a significant effect. Sixth, family influence factors in Hutapea research did not have a significant effect.

The results of Dwinanda's (2014) research on family influence are often found when accounting students begin to think about the profession that they will be involved in as stated. The role of the family in tracking the interests of accounting students can

be very helpful in career selection can also be an obstacle for accounting students in determining their future profession. The influence of the family in choosing a career in accounting students can be supportive if it suits their interests. However, on the contrary there is also the influence of the family into a kind of restraint if in reality there is no conformity with interests which can later reduce the performance of accounting students when they are already working. Often there is a lack of student knowledge of the career choices they get in the education curriculum that makes accounting students experience ignorance of their career choices. So that it should be a challenge for education in higher education to create a better curriculum so that accounting students have a good preparation when they are in the workforce (Helmi, 2016).

Based on the description above, researchers interested in doing further research by adding family influence variable that will be examined at the Andalas University Accounting Students and Padang State University Accounting Students under the title "The factors influencing students perception's for career selection"

## 1.2 Problem Statement

Based on the description above, the of the problem that the researchers used was:

1. Does salary influence in choosing a career by accounting students in public university in Padang city?
2. Does professional training influence in choosing a career by accounting students in public university in Padang city?

3. Does professional recognition influence in choosing a career by accounting students in public university in Padang city?
4. Does social values influence in choosing a career by accounting students in public university in Padang city?
5. Does work environment influence in choosing a career by accounting students in public university in Padang city?
6. Does family influence in choosing a career by accounting students in public university in Padang city?

### **1.3 Research Purposes**

The purpose of this study is to know the factors that influence the accounting students in choosing a career.

### **1.4. Research Benefits**

From this research, the researcher expects to:

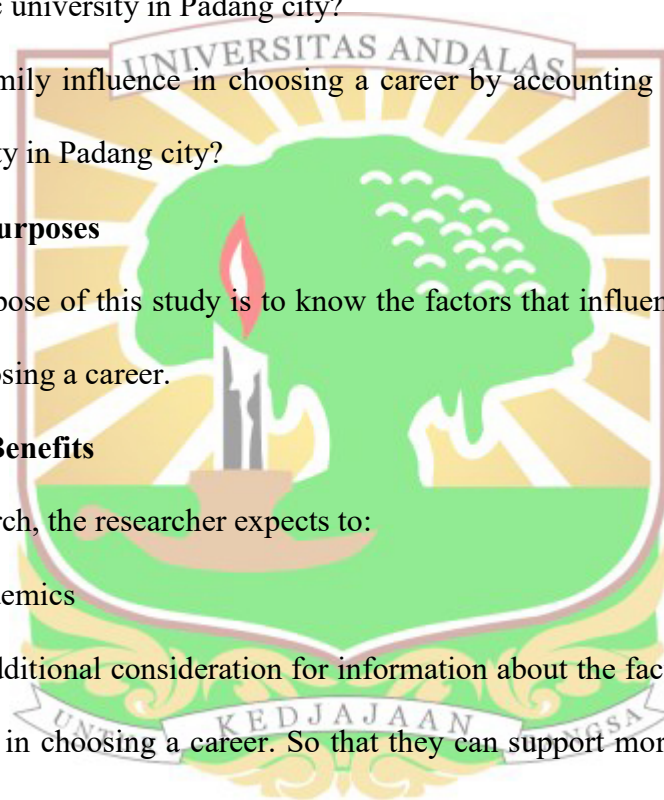
- a. For academics

As an additional consideration for information about the factors that influence students in choosing a career. So that they can support more informative and practical learning.

- b. For practitioners

As a balance to formulate policies in education of accountants for the quality of teaching and quantity of accountants produced so that they can be ready and able to meet the needs of accountants.

- c. For researchers



As additional knowledge and insight into the preparation of a study, and about the analysis factors that affect accounting students in the city of Padang in choosing a career.

### **1.5 Writing Systematic**

The structure of this paper is divided into several parts, starting from chapter 1 which consists of an introduction that describes the background of why the researcher is interested in this problem, statement of the problem, research objectives, and the benefits of the research. The next section is chapter 2 which consists of a literature review that collects all related materials for this study, previous studies, and other sources. The chapter 3 describes the research method consisting of data collection methods, data analysis methods, and operational definitions of the research variables. The next chapter 4 explain the analysis of research and the discussion explaining how the results of the study, this study uses various types of tests. For the last chapter, in chapter 5, consists of conclusions, limitations, implications, and suggestions, .