

# **ACADEMIC PERFORMANCE, ASPIRATIONS, ATTITUDES AND STUDY HABITS AS DETERMINANTS OF THE PERFORMANCE IN LICENSURE EXAMINATION OF ACCOUNTANCY GRADUATES**

**Jade Ballado-Tan, CPA, MBA**

Chairman, Accountancy Department,

College of Business Administration

University of Eastern Philippines

University Town, Catarmac, Northern Samar, 6400

Philippines

[jadeballado@yahoo.com](mailto:jadeballado@yahoo.com)

(+63)0998-220-1161

## **ABSTRACT**

The quality of education offered by an institution is often determined by the graduates it produces. In like manner, the quality of graduates produced by an institution is measured by their performance in licensure examinations.

The study determined the level of student's academic performance, aspirations, attitudes towards accounting and study habits. It also determined the performance of the graduates in the Certified Public Accountant (CPA) licensure examination, as well as the relationship of the academic performance, aspirations, attitudes towards accounting and study habits and the performance in the licensure examination.

One hundred twenty-four (124) respondents were considered in the study which utilized the descriptive-correlational method. A survey questionnaire determined the level of academic performance, aspirations, attitudes and study habits. Official results of the CPA Licensure Examination were retrieved from the Professional Regulation Commission. The study employed frequency counts, weighted means, ranking and regression analysis as statistical tools.

The respondents had good academic performance, high level of aspiration, favorable attitude towards Accounting and good study habits. Performance of graduates is above the national passing percentage, though, graduates do not make it in the first attempt. Graduates performed best in Theory of Accounts while the weakest performance is in Practical Accounting I. Academic performance, attitudes towards accounting and study habits are significantly related to the performance in the examination while level of aspirations was not related.

The study recommended the emphasis of students' persistence to work toward their goals, study habits and passion in accounting in admitting prospective students. Regular assessment through qualifying examination is also recommended to improve performance.

**Key words:** academic performance, aspirations, attitudes, study habits, accountancy licensure examination

## 1. INTRODUCTION

The quality of education offered in a certain college or institution is often determined by the graduates it produces. In like manner, the quality of graduates produced by an institution is measured by their performance in board examinations. This performance based on the percentage of passing in the licensure examination serves as a barometer that gauges the quality of education they acquired in a particular school. According to Dr. John S. Bala, the Vice Chairman of the Board of Accountancy, the CPA board exam is one of the most difficult government Licensure examinations in the Philippines in terms of the low national passing rates as compared to other government licensure examinations (Bala, 2008).

For the last five years, the average passing rate of the University of Eastern Philippines in the Accountancy Licensure Examination is 40.48% or four (4) examinees out of 10. This result shows that not all graduates of the university were prepared for the examination. Some honor graduates even failed. It is therefore imperative that innovative and continuous intervention programs be undertaken to improve the UEP accountancy graduates' performance in CPA board examinations. This intervention program must be research-based and therefore this study was conducted to derive findings that will serve as basis of the program. This study draws to a very large measure from Heider's attribution theory which was later refined and advanced by Orvis, Cunningham and Kelly together with Deci. According to the attribution theory, as cited by Mateo, occurrence of events is attributed to two factors- personal forces and environmental forces. Central to Heider's theory is the assertion that man perceives events of critical importance for the interpretation of human work, such causes could be traced to factors located within the person and those that are drawn from the environment of the person (Mateo, 1998). In the context of this assessment, it can mean that the accountancy graduates' performance in the CPA licensure examination is an interplay of certain attributes inherent in the person and the forces of the environment which he or she is a part of – the institution which provided his training. This study however considered only factors that are intrinsic upon the respondents.

## 2. STATEMENT OF OBJECTIVES/PROBLEM

The study aimed to:

1. determine the level of students' academic performance, aspirations, attitudes towards accounting and study habits;
2. determine the level of performance of the respondents in the Certified Public Accountant Licensure Examination; and
3. ascertain the relationship between academic performance, aspirations, attitudes, study habits and the level of graduates' performance in the CPA licensure examination.

## 3. METHODOLOGY

One hundred twenty-four (124) respondents who were takers of the CPA board exam for the period May 2012-October 2013 were considered in this study which utilized the descriptive-correlational method. Official results of the CPA licensure examination were retrieved from the Professional Regulation Commission. Academic performance was measured through the college grade point average. The questionnaire for students' aspirations, attitude towards accounting and study habits was modified based on the instrument of Barreda (1998). Frequency counts, percentages, weighted mean and multiple regression analysis were used as statistical tools.

## 4. RESULTS AND DISCUSSION

### 4.1 Student's Academic Performance

Table 1 shows that the bulk of the respondents belong to the grade range of 1.76-2.0 and 2.01-2.25. The results could be attributed to the strict retention policy of the program that requires an average of 2.5 or higher to be able to proceed to the next accounting subject. Because respondents who graduated with honors comprised only 25 percent and majority graduated without

honors, is a proof that the Accountancy program is a difficult course and entails more time to be devoted in studying, and thus, improving one's chance in passing the board examination.

Table 1. Respondents according to Grade Point Average

College Grade Point Average	Frequency	Percent
1.26 - 1.45	1	1.0
1.46 - 1.75	25	24.5
1.76 - 2.0	27	26.5
2.01 - 2.25	30	29.4
2.26 - 2.5	17	16.7
2.25 - 3.0	2	2.0
Total	102	100.0

#### 4.2 Level of Student's Aspirations

Table 2 shows that the respondents generally had high level of aspiration. Ultimately, what they wanted to achieve is a home where peace and love abide, while sharing their success with other people and enjoying their life. This shows that what they really desire is beyond material possessions. In the end, they would always go back to the basic unit of the community who have molded them to what they have become, and later see themselves as molders of future generations, thus being a part of a home that is surrounded by love and peace. The attainment of success is not only for them alone but also for other people. Moreover, they also have high aspirations of enjoying life after studies. This means that after passing the board exam, they hope to enjoy working and the opportunities that would be offered by the circumstances.

However, the desire to be regarded as leaders and excel over their classmates in all subjects, were only considered moderate. This means that generally students were more contented on being followers than leaders, which is one of the attributes of an accountant, where they will only provide data that will be useful in decision making by top level management. Most of the respondents do not really aspire of leading a team for they have not experienced doing it before. They may still have some doubts on their capabilities and that they may have thought that they still need to learn a lot for them to be regarded as effective leaders. Further, excelling over their classmates was not also part of their aspirations. A healthy competition exists among them, which means that they wanted to succeed but not at the expense of others.

Table 2. Students' Level of Aspirations

Indicator	Mean	Interpretation
I wish I have a home where peace and love abide.	2.82	High
I like to share my success with other people.	2.75	High
I wish I could find time and opportunity to really enjoy life after studies.	2.75	High
I would like to accomplish something of great significance.	2.71	High
Despite some failures and difficulties I still wish to succeed.	2.68	High
I like to travel and see many places.	2.63	High
I like to do my very best in whatever I undertake.	2.54	High
I like to experience novelty and change in my daily routine.	2.50	High
I wish to do better than my parents by being serious in my studies.	2.47	High
I want to be an innovator than an imitator through independent study.	2.47	High
I want independence in solving problems.	2.47	High
I would like to be a recognized authority in some jobs, professions.	2.42	High
I like to be regarded by others as a leader.	2.12	Moderate
I wish to excel over my classmate in all subjects.	1.82	Moderate
GRAND MEAN	2.51	High

#### 4.3 Level of Student's Attitude towards accounting

Table 3 shows that the respondents generally had favorable attitude towards accounting as manifested by a 3.85 grand mean. Specifically, they highly favored the statements that "accounting develops their ability to think logically and reason out correctly", "accounting is important as any other subjects", "they can see much importance in accounting" and "accounting is a stimulating subject". Accounting subjects are indeed a combination of conceptual and practical concepts, one cannot solve a problem without analyzing the basic idea behind that problem, it is on this ground that respondents would look at accounting as one that helped them develop their logical thinking. Moreover, respondents treated accounting as important as any other subject, being their major field of specialization. In as much as accounting is treated on the same ground with other subjects, students see the importance of these subjects in terms of completing their academic requirements to finish the course.

However, the respondents were unfavorable on the statement that accounting is the easiest of all the subjects. In other words, they find accounting a difficult subject. According to Crawley, et al, as cited by Beaton (1996), this attitude may have reinforced or downplayed to affect behavior decisions by students, which means that their unfavorable attitude toward accounting being the easiest of all the subjects, may have motivated them to strive and study harder or may have discouraged them to a point that even the basic problem may be thought as difficult without really understanding it first.

**Table 3. Level of Respondents' Attitude towards Accounting**

Indicator	Mean	Interpretation
Accounting develops my ability to think logically and reason out correctly.	4.42	Highly Favorable
Accounting is important as any other subject.	4.40	Highly Favorable
I can see much importance in accounting.	4.25	Highly Favorable
Accounting is a stimulating subject.	4.22	Highly Favorable
I enjoy the challenge presented by an accounting problem.	4.15	Favorable
I enjoy myself seeing how rapidly and accurately I can work on Accounting Problems.	3.98	Favorable
I like accounting because it is practical.	3.96	Favorable
I am enthusiastic about Accounting and I have liking for it.	3.91	Favorable
I think accounting is fun and I always want to do it.	3.84	Favorable
Accounting thrills me and I like it better than any other subject.	3.83	Favorable
I would like to spend more time in school working on Accounting.	3.77	Favorable
I feel sure of myself in Accounting.	3.74	Favorable
I think accounting is the most enjoyable subject I have taken.	3.44	Favorable
I never get tired working with things related to Accounting.	3.29	Undecided
Accounting is the easiest of all subjects	2.54	Unfavorable
Grand Mean	3.85	Favorable

#### 4.4 Level of Respondents' Study Habits

Table 4 shows that the respondents had generally "good" study habits with a grand mean of 3.48. The result revealed that respondents would study in a place that is quiet and has few distractions, and that they would study during their personal peak time of energy to increase concentration level and they would refer to books to provide a guide to follow if they are in doubt of the solution for a problem. The above statements are actually methods of study that were found

effective by the respondents, which according to Steinberger and Wagner, as cited by Doromal (2011), should be done to attain success in study, as it does not only depend on ability and hardwork but also on effective methods. Moreover, the result showed that respondents felt that much concentration is needed for them to really focus on the subject he is studying for them to really absorb the concepts and techniques.

The respondents rated "fair" the statement that they would lay aside returned examination, reports and homework without bothering to correct errors noted by teachers. This means that students give emphasis on the accuracy of their answers and they are interested as well in knowing whether they got the correct answer to the problem.

**Table 4. Level of Respondents' Study Habits**

Indicator	Mean	Interpretation
I study where it is quiet and has few distractions.	4.32	Very Good
I try to study during my personal peak time of energy to increase my concentration level.	4.31	Very Good
When I doubt the correct solution for a problem I refer the book to provide a guide to follow.	4.30	Very Good
If time is available, I take a few minutes to check over my answers before turning in my examination papers.	4.11	Good
When test papers are returned, I find time to review the questions that I missed.	4.01	Good
I quiz myself over material that could appear in future exams and quizzes.	3.88	Good
I prefer to study my lessons alone rather than with others.	3.84	Good
I have enough time for school and fun.	3.77	Good
I take notes as I read my textbooks.	3.74	Good
I give special attention to accuracy and neatness of solutions to problem sets and other work to be turned in.	3.73	Good
I study three or more hours per day outside class.	3.64	Good
I say difficult concepts out loud in order to understand them better.	3.61	Good
I complete my homework/assignment on time.	3.45	Good
I copy the diagrams, drawings, tables and other illustrations that the teacher put on the blackboard.	3.44	Good
During examinations, I forget the concepts, formulas, and other details than I really do not know.	3.28	Average
I start papers and projects as soon as they are assigned.	3.28	Average
I keep my assignments up to date by doing my work regularly from day to day.	3.22	Average
I utilized the vacant hours between classes for studying so as to reduce the evening's work.	3.20	Average
I hesitate to ask my teacher for further explanation of an assignment that is not clear to me.	3.10	Average
I put off solving accounting problems and doing drill exercise.	3.03	Average
With me, studying is hit-or-miss proposition depending on the mood I'm in.	2.89	Average
I make questions from a chapter before, during, and after reading it.	2.89	Average
I am careless of the solutions when answering examinations questions.	2.82	Average
I memorized rules, definitions of technical terms, formulas, etc. without really understanding them.	2.72	Average

I lay aside returned examinations, reports and homework/assignments without bothering to correct errors noted by the teacher.	2.43	Fair
Grand Mean	3.48	Good

#### 4.5 Performance in the CPA Licensure Examination

As revealed in Table 5a, 13 or 12.7 percent were on conditional status, 45 or 44.1 percent failed, while only 44 or 43.1 percent passed. Compared to national passing percentage for these periods of 38.27%, it can be said that the performance is above the national. But still, the data showed that majority of the respondents did not make it to the board exam. In other words, for every 10 examinees from UEP, only four (4) would emerge as passers, although the rest will still be given chance to take the next board exam. The findings confirmed the statement of Bala (2008) that CPA board exam has a high mortality rate in terms of the number of examinees who failed.

**Table 5a. Level of Performance of the Respondents in the CPA Licensure Examination**

Performance Level	Frequency	Percent
Conditional	13	12.7
Failed	45	44.1
Passed	44	43.1
Total	102	100

Table 5b shows that among the seven board exam subjects, respondents performed best in Theory of Accounts which is a purely theoretical subject which focuses on the objectives, basic concepts, principles, and terminology of financial accounting and financial statements, including related issues and topics, while respondents were weakest in Practical Accounting 1 which is supposed to be an application of concepts they learned in Theory of Accounts. The result shows that the respondents lack practical skills which means that they find difficulty in applying the concepts they learned to the related problems posed to them.

**Table 5b. Performance of the Respondents in the CPA Licensure Examination per Subject**

Subjects	Passed		Failed		Average
	F	%	f	%	
Theory of Accounts	74	72.55	28	27.45	77.33
Auditing Problem	57	55.88	45	44.12	73.57
Management Advisory Services	59	57.84	43	42.16	73.13
Practical Accounting 11	56	54.90	46	45.10	72.06
Business Law and Taxation	55	53.92	47	46.08	71.36
Auditing Theory	45	44.12	57	55.88	70.61
Practical Accounting 1	36	35.29	66	64.71	69.51

#### 4.6 Relationship between Academic Performance, Students' Aspirations, Attitudes, Study Habits and the Performance in the CPA Licensure Examination

Among the variables significantly related to performance in the CPA licensure examination is the academic performance of the student in college with a significance level of 0 that is less than the 0.05 margin of error. This means that the null hypothesis is rejected. A beta coefficient of 5.043 indicates that for every unit increase in the GPA average of the student, there will be a corresponding increase in licensure examination result. This coincides with the statement of Banez (2002) that if a person has excelled academically, there is a greater chance for him to have a

successful performance in the examination. Looking back at Table 6 that shows that 74.6 percent of the respondents were not honor graduates and comparing with the 56.8 percent of respondents who were not able to pass the board examination, clearly indicates that honor graduates have a higher chance of passing the CPA licensure examination, although, not to be considered as an absolute truth since some of these honor graduates failed in the board examination that might call for further studies. The above findings were confirmed by the result of the study of Navarro (2011) that academic performance is the best predictor of the NLE performance of their nursing students. Ong and Palompon (2012) found that grade point average is highly correlated with performance. Besique (2000) presented the same predictive ability of college grade point average in students' success in the licensure examination. The same is true with the findings of Abellera (2012) that academic performance relates with the CPA licensure examination performance. The result indicates that the academic performance of a particular student sums up his level of preparation for the board exam. His five-year stay in the college as quantitatively measured by his grade point average, serves as one of the best predictor of his success in board exam. This shows that generally students who have an ultimate goal of passing the board exam must do well in his academic requirements more than the extra-curricular activities.

Further, the result shows that there was no significant relationship between student aspirations and performance in the CPA licensure examination. The respondents were found to have generally high aspirations but exhibited only a 43.2 passing percentage. This confirms Carpio's (1995) findings that student aspirations were not significantly related to their performance in the theoretical and practical aspects. This could imply that despite their high aspirations in life, if their capability does not coincide with it, then students may find it difficult to achieve higher performance in the board examination.

Moreover, the findings revealed a significant relationship between a respondent's attitude towards accounting and their performance in the licensure examination as manifested by a 0.027 significance level which is greater than the 0.05 margin of error. The beta coefficient of 2.667 means that for every positive unit increase in attitude of the respondents towards accounting, there is a corresponding 2.667 increase in the licensure examination result.

Lastly, Table 6 shows that there is a significant relationship between study habits and performance in the CPA licensure examination with a significance level of 0.024 which is lower than 0.05 margin of error. The beta coefficient of 3.381 signified that for every unit increase in study habit, licensure examination performance would also increase by 3.381. This confirms the statement of Steinberger and Wagner, as cited by Doromal (2011) that success in study does not only depend on ability and hardwork but also on effective methods of study, for its through good study habits that one will develop their ability to learn and understand their own potentials. It could be implicated that to attain mastery of the lesson taught in school, students should have good study habits. As cited by Balbalosa (2002), good study habits help the student in critical reflection in skills outcomes such as selecting, analyzing, critiquing and synthesizing and consequently, would lead to higher achievement. The above findings however, contradicts with that of Carpio (1995) who found out that study habits were found to be not significantly related to performance.

**Table 6. Beta Coefficients for the test of Relationship**

Predictors	B	Sig.	Interpretation
Grade Point Average	-5.043	0.000	Significant
Students Aspiration	-1.906	0.641	Not Significant
Attitude Towards Accounting	2.667	0.027	Significant
Study Habits	3.381	0.024	Significant

## 5. CONCLUSIONS

The students of the program have high hopes of becoming successful in the future. This could be implicated that the Accountancy program is viewed as a stepping stone for them to achieve the desires that they want to attain. Hence, despite the difficulty posed by the accounting subjects, they still have favorable attitude towards it. The favorable attitude can also be attributed to the approach they employed in studying their subjects. The achievement of the CPA license is generally dependent on persistence in working towards that goal, specifically through studying hard while in college, coupled with positive attitude and behavior towards accounting. The positive attitude towards accounting paired with effective study habits might lead to higher academic performance and therefore higher chance of passing the board exam. To be able to graduate in the program and later on pass the board examination, there is a need for the prospective freshmen to have a passion for the field they are entering into because no matter how effective the other factors would be, at the end of the day, what will make them really successful is their love for the field that will make them conquer all adversities that they may face.

The UEP performance in the licensure examination is not consistent when compared to the national passing percentage. The examinees are generally weak on Practical Accounting which at the same time has the lowest number of passers among the seven subjects. This connotes that the students have poor grasp of practical application of the concepts that they have learned. This can also be attributed to lack of hands-on experience of students on the realistic aspect of accounting. Generally, good academic performance, positive attitude and effective study habits give an assurance of passing the CPA board examination.

## 6. RECOMMENDATIONS

1. The study recommends the emphasis of students' persistence to work toward their goals, study habits and passion in accounting in admitting prospective students. In this case, valid instrument should be developed to assess the above qualifications. The interviewer should also be a keen observer so as to fairly assess the students.
2. Regular assessment through qualifying examination is also recommended to improve performance. Grades of the students should be strictly monitored along with the strict implementation of the retention policy.
3. Further studies should be conducted on other possible factors that could affect performance in the CPA Licensure Examination.

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#### RESEARCHER'S PROFILE



Jade Ballado Tan is a faculty member of the Accountancy Department of the College of Business Administration, University of Eastern Philippines, Northern Samar. She handles Accounting subjects. She finished Bachelor of Science in Accountancy and Master of Business Administration degrees from the University of Eastern Philippines. She currently serves as Director for Student Services of the College of Business Administration and the Chairman of the Accountancy Department.