

# Analysis of Motivations that Influence the Interest of Accounting bachelor's degree Candidates Enrolling Study at PPAk in Indonesia

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**Abstract** - This study aims to analyze the motivations that influence the interest of Accounting bachelor's degree Candidates to enroll study at PPAk in Indonesia. There are four motivations tested in this research: career motivation, social motivation, economic motivation and cost motivation. The research uses a quantitative descriptive method, with multiple regression equations analysis using SPSS 24. The population in this study are accounting undergraduate students from 2 different Higher Educations in Jakarta. Data collected by giving questioner to 100 respondents. The results of this study indicate that career motivation produces a significance value of  $0.002 < 0.05$ , but social motivation of  $0.563 > 0.05$ . Economic motivation of  $0.925 > 0.05$ , and cost motivation of  $0.136 > 0.05$ . Based on findings, it concludes that career motivation has more positive and significant than social motivation, economic motivation and cost motivation to influence the interest of accounting bachelor's degree candidates to enroll Study at PPAk in Indonesia. Therefore, the conclusion implies that the career motivation must be considered in improving the quality of PPAk curriculum in Indonesia.

**Keyword:** Motivation, Career, Accounting Professional, Interest to Enroll at PPAk

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## 1. INTRODUCTION

In the era of global technology today there are still prospective accounting graduates who still crave a certificate as an Accountant (Ak). Almost all work in the era of global technology, especially in accounting work done by an accountant is done manually, digitally and even online. The ability to do accounting work can always be honed by working on cases that occur repeatedly so that it becomes skilled, it could be because of the ordinary. But the problem is not that simple because it has become an enigma that to be skilled must be given the opportunity and to get the opportunity must be skilled first. Based on that enigma, a person will not become skilled as long as he never gets a chance.

Becoming an auditor in Indonesia, you must first become an experienced accountant in the audit field. however, experience will not be recognized if the person concerned does not yet have an accountant degree from a professional accounting education program. Based on empirical data that the average income of a professional auditor is very promising because the auditor has a very large responsibility with a high level of difficulty in his work. Event to enter higher

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education majoring in accounting requires a high passing grade, this shows that the majoring in accounting is a favorite major. In addition, the auditor profession can also be a steppingstone to get a prestigious position in company management. There has been overrated, a former auditor who has worked for several years is considered very high in the world of work because his experience is independent of the audit capabilities he had while working at the Public Accountant Office. The motivation of prospective accounting graduates to take accounting education is highly dependent on the information received related to the auditor profession. The auditor profession is a proud profession in terms of income, employment and economics for prospective accounting graduates, so it is suspected that the auditor profession still remains the ideal or idol of a prospective accounting graduate until now. What motivates prospective accounting graduates to take professional accounting education programs? Various motivations related to the interest of prospective accounting graduates following the PPAk, namely career motivation, social motivation and economic motivation and cost motivation. Which motivation most influences prospective accounting graduates to continue their education to PPAk?

## **2. LITERATURE REVIEW**

### **2.1. Interest in PPAk**

PPAk in English is the Accounting Professional Education Program. According to Rath, Harmin and Simon, 1996, interest is associated with the main things, namely: 1. There is a feeling of pleasure when paying attention to certain objects, 2. The existence of interest in certain objects 3. The existence of activities on certain objects 4. Having a tendency to be more active, and 5. The object of activity is functional for life. Interest in PPAk can be summarized as a strong interest in prospective accounting graduates to take part in PPAk because they already understand the benefits gained after graduation.

The term Accountant in Indonesia has only been formally existed since the issuance of Law No. 34 of 1954 dated November 13, 1954 concerning the Use of an Accountant's Title (Accountant). The law stipulates that granting the title of Accountant directly to Faculty of Economics graduates majoring in Accounting from certain State Universities in Indonesia, and for Faculty of Economics graduates majoring in Accounting from Private Universities given the title of Accountant after passing the Basic National Accounting Examination (UNA Basic) and the Profession National Accounting Examination (UNA Profession). State Universities that are not certain State Universities are required to take the Professional National Accounting Examination (UNA Profession). The granting of an Accountant degree like this lasted until 2004 because it created injustice between State Universities and Private Universities. After 2004 until now the title of Accountant was obtained through Universities and PPAk organizer in collaboration with Institute of Indonesia Chartered Accountants. While continuing the professional education accountant, issued Law No. 2 of 1989 dated March 27, 1989, concerning the National Education System. This law provides direction that accountant professional education is classified as professional education.

Then, it was stressed that the Accountant was required to register to obtain a state register based on the Minister of Finance Regulation No.331 / KMK.017 / 1999 dated June 18, 1999 concerning the Implementation of Accountant Registration at the State Register. Shortly after, State Universities cooperated with Institute of Indonesia Chartered Accountant to open a formal accounting profession education in response to the issuance of the Minister of National Education Decree No.179 / U / 2001 dated November 21, 2001 concerning the Organization of Accounting Professional Education. PPAk is an effort formed to produce professional accountants with an education format that has been formulated by DIKTI and Institute of Indonesia Chartered Accountant. The PPAk curriculum and syllabus is also designed to meet the requirements of a professional accountant as required by the International Financial Accounting Committee(IFAC).

The latest development was marked by the issuance of Minister of Finance Regulation (PMK) No. 25 / PMK.01 / 2014 dated February 3, 2014 concerning State Registered Accountants and Indonesian Minister of Education and Culture Regulation No.153 of 2014 dated October 14, 2014 concerning the Organization of Accountant Profession Education Programs. Minister of Finance Regulation No. 25 / PMK.01 / 2014 2014 is intended to attract Minister of Finance Regulation No. 331 / KMK.017 / 1999 dated June 18, 1999. Details of the 2014 PPAk curriculum from IAI, Semester 1: 1. Ethics and Corporate Governance 2. Advance Management Accounting 3. Taxation Management 4. Advance Information System and Semester 2: 1. Corporate Reporting 2. Advance Financial Management 3. Strategic Management and Leadership. All subjects have 3 credits except corporate reporting with 4 credits.

## **2.2. CareerMotivation**

According to Kreitner and Kinicki, (2001) defines motivation as a driving force that moves individuals to move towards certain goals. So, an individual move because of the motivation that accompanies it. People want a career in a professional position because of the accompanying career motivation. Lawrence J. Gitman and Carl McDaniel (2009) expressed career motivation as a success in a career that is not only determined by the determination of that person but also because of the support of all elements of the company. It was continued by Lawrence J. Gitman and Carl McDaniel (2009) that there were four career stages that an individual would go through to achieve great career success. namely: the first stage is the initial stage when someone starts working, the second stage is the stage of developing skills so that the career lasts long, the third stage or midcareer is the stage of success in improving performance, and the fourth stage or late career is the stage a person is stable in a career.

## **2.3. SocialMotivation**

According to Lindgren (1973) defines social motivation as motivation that can be learned through contracts with other people. Social motivation is formed in an individual is influenced by the social environment of the individual concerned. In other words, social motivation is

defined as an individual's drive to take actions that have social value, obtain respect and acknowledge the existence of the environment in which the individual is. It was even emphasized that a person has social motivation if his choices affect others. Therefore, people whose actions do not involve other people; it is said that the person's actions are not socially motivated. More deeply stated by Heckhausen (1980) that social motivation is every action that wants to achieve certain goals by interacting with others. Including the desire to please other individuals, an individual must act in accordance with the wishes of other individuals in his environment. A person has received a sign of presence in a particular social environment, then an individual has done it in the interests of the social environment.

#### **2.4. EconomicMotivation**

Improving the economic life of individuals is very important and almost every individual continues to look for ways to make life better economically. To obtain economic security must be preceded by economic motivation by making decisions that have an economic impact in the future. Stole (1976) emphasizes economic motivation in the aspect of rewards received by a person in the form of financial appreciation and work experience. Economic motivation can be a stimulus for making decisions that impact life and economic facilities. It was continued by Herzberg, 1966 that economic motivation included extrinsic motivation which meant economic impetus carried out because there had been an agreement with the environment before. In other words, economic motivation as an impulse arises from within a person to develop his personal ability to achieve the desired financial rewards. In the form of financial rewards, management provides retribution to employees to ensure that employee actions must lead to the achievement of company goals.

#### **2.5. CostMotivation**

According to Hansen and Mowen, 2009 that cost motivation means a number of education costs that must be borne to get a number of benefits in the future. Motivation that is formed based on the consideration of the costs incurred will get an economic motivation. Willingness to spend a certain amount of costs to get maximum benefits or willingness to spend a certain amount of costs to expect a certain number of benefits in the future. Cost motivation becomes a powerful impetus for making choices by selecting several decisions based on the lowest cost. Related to cost motivation there is another motivation that is almost the same as cost motivation, namely internal motivation. Internal motivation is a strong urge from within itself to do an action, and of course after considering several aspects, including costs.

### **3. METHODOLOGY**

The research uses a quantitative descriptive method, with multiple regression equations analysis using SPSS 24. The population in this study are 527 active accounting undergraduate students from 2 different Higher Educations in Jakarta. The sample selection uses a purpose sampling method. Data collected by giving questioner to 100 respondents.

#### 4. RESEARCH RESULT

Test the validity of the questionnaire that interest in PPAk, career motivation, social motivation, economic motivation and cost motivation, showed that 21 questionnaire questions were declared valid because all  $r$  calculated (corrected item-total correlation)  $> r$  table (0.197). The reliability test showed that the variable was declared reliable because the Cronbrach's Alpha value  $>$  criterion 0.7. In the variable data normality test with the Kolmogrov-Sminov test, it showed that the data was normally distributed because of the Asymp.Sig (2-tailed) which amounted to  $0.058 > 0.05$ .

The classic assumption test, especially in the multicollinearity test shows that the model is free from the multicollinearity effect because the tolerance values of career motivation, social motivation, economic motivation and cost motivation  $\geq 0.10$  and Variable Inflation Factor are all independent variables  $\leq 10$ . In the heteroskedastic test there is no heteroscedasticity effect because of the point spreads without pattern in scatterplots. From the results of the regression coefficient test as presented in the table below that the regression equation obtained is  $Y = 4.224 + 0.445 CM + 0.065 SM - 0.14 EM + 0.142 COM + e$

Based on the partial test results (t test) it is known that career motivation has a positive and significant influence on interest in PPAk because  $t$  calculated  $3,228 > t$  table  $1,985$  and a significance value of  $0.002 < 0.05$ , but social motivation does not significantly influence interest in PPAk because  $t$  calculated  $0.580 < t$  table  $1,985$  and the significance value of  $0.563 > 0.05$ . Economic motivation and cost motivation did not significantly influence interest in PPAk because  $t$  calculated  $-0.095 < t$  table  $1,985$  and significance value of  $0.925 > 0.05$ , and  $t$  calculated  $1.504 < t$  table  $1.985$  and significance value of  $0.136 > 0.05$ .

#### 5. ANALYSIS AND DISCUSSION

##### 5.1. Analysis of the Effect of Career Motivation on the Interests of PPAk

The generation of prospective accounting graduates apparently still considers that a career will increase when taking further studies at PPAk. For them a career is very important to achieve success in the future because with an increased career they can get everything. Based on the results of research that the influence of career motivation on interest in PPAk is only 0.445, this means that the actual influence of career motivation on interest in PPAk is quite low because when CM rises 1 then interest in PPAk only goes up by 0.445. The choice to take PPAk based on motivation to want a career is not entirely wrong because by having a PPAk graduate diploma, they can freely choose the type of work they want, especially professional work such as independent auditors or accounting consultants. In contrast to MAKSI (Master of Accounting) graduates who are more academic in nature, PPAk graduates have more to do with professionalism in certain types of accounting work. Wambganss and Kennet, 1995 stated that most accounting students were pragmatic in choosing majors because of wider career opportunities in the field of accounting.

The PPAk curriculum has indeed been designed as further education to handle accounting

work in a professional and independent manner. Proof of recognition of PPAk graduates is given the title Accountant (Ak) and may register his name to obtain permission as a public accountant. In fact, it is not the only type of work accepted by PPAk graduates, because there are many other jobs that are also very interesting, such as internal auditors, tax auditors, government auditors or working in company management. Considering the cost of PPAk is relatively more expensive compared to similar accounting education such as Master of Accounting Program, prospective accounting graduates who dare to take PPAk certainly have considered it. Even PPAk graduates cannot be used to continue their education to a doctoral level because PPAk is not equivalent to Master or Magister education. The results of this study provide valuable input to PPAk managers that prospective accounting graduates who take PPAk have entrusted their future careers to the PPAk institution. Therefore, the quality of the PPAk curriculum must always be updated so that it is always in line with the needs of the world of work because career positions are always in line with capabilities in the world of work. The latest developments have taken place in the world of accounting work in the era of the industrial revolution 4.0 and if it is true that PPAk does not want to be forgotten prospective interested parties, PPAk must be able to compile a PPAk curriculum that is in line with the needs in the world of work in the field of accounting.

## **5.2. Analysis of Social Motivation, Economic Motivation and Motivation of Costs which are not significant to Interest in PPAk: Conditions and Challenges of PPAk**

The results of this study are not in line with previous studies, including economic motivation has a significant effect on interest in PPAk (Moorhead & Griffin, 2014). There is no influence of social motivation, economic motivation and partial cost motivation on interest in PPAk due to the lack of conducive conditions in Accounting Professional Education where prospective accounting graduates can take Chartered Accountant (CA) exams from Institute of Indonesia Chartered Accountant, either with or without taking PPAk. This condition is certainly less fortunate for the development of PPAk in the future, where in the world of work CA certificates are proof of professionalism from an accountant. Meanwhile there is the effect of innovation disruption on employment in the accounting profession so that the accounting workforce begins to erode its presence in the company, not to mention coupled with the PPAk curriculum question. whether you have included lecture material based on the industrial revolution 4.0 today.

## **6. CONCLUSION**

Based on the findings, this study concludes that career motivation has more positive and significant than social motivation, economic motivation and cost motivation to influence the interest of accounting bachelor's degree candidates to enroll Study at PPAk in Indonesia.

## **7. IMPLICATION**

The conclusion implies that the career motivation must be considered in improving the quality of PPAk curriculum in Indonesia.

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