



## COMPETENCIES REQUIRED OF ACCOUNTING EDUCATION GRADUATES IN OYO STATE COLLEGES OF EDUCATION FOR RELEVANCE IN THE E-WORLD

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### Abstract

*This study examined the competencies required of accounting education graduates in Oyo state colleges of education for relevance in the e-world. Two research questions and two hypotheses guided the study. Descriptive research design was adopted for the study. The population for the study comprised 35 lecturers and 373 students of business education in Oyo State colleges of education. Simple random sampling was used to select 75 students from the colleges of education under study while the total population of lecturers from the colleges were used. The instrument for data collection was a 28-items questionnaire. The instrument was validated by two experts in business education and achieved a reliability coefficient of 0.84 based on Cronbach Alpha procedure. A total number of 110 questionnaires were administered on the respondents with 100% rate of return. Data collected were analyzed using mean and standard deviation for the research questions, while t-test was used to test the hypotheses at 0.05 level of significance. Findings from this study revealed that both basic and global accounting competencies are highly required of accounting graduates of Oyo State Colleges of Education for relevance in the E-world. It was therefore recommended that the existing curriculum of accounting education should be reviewed to reflect global competencies identified in this study and lecturers teaching accounting courses should be encouraged to go on refresher courses that will enable them to acquire sufficient skills in e-accounting and global competencies.*

**Keywords:** *Competencies, Accounting Education Graduates, E-Accounting, E-world*

### Introduction

Accounting is a field of study which importance to the business-world could not be over-emphasised. Accounting is the process of recording, classifying, summarizing, analyzing and interpreting financial transactions and communicating the results thereof to interested users (Chukwu in Azih, 2013). Accounting systems are responsible for recording, analyzing, monitoring and evaluating the financial position of business organization, preparation of documents necessary for the tax purpose, providing information support to many other organizational functional areas (Toshniwal, 2016).

Kavitha (2014) stated that accounting as an information system is the process of identifying, measuring and communicating the economic information of an organization to its users who need the information for decision making. The reports generated by various streams of accounting, such as cost accounting and management accounting, are invaluable in helping management make informed decisions. Accounting process from the time immemorial had largely dwell on manual process with



little touch of electronic process. However, the advent of Information and Communication Technology (ICT) has brought great challenge to all field of human endeavours, accounting profession inclusive. In response to this, professionals in field of accounting have embraced electronic accounting otherwise known as e-accounting.

E-accounting or online accounting is the application of online and Internet technologies to the business accounting function. Similar to e-mail being an electronic version of traditional mail, e-accounting is "electronic enablement" of lawful accounting and traceable accounting processes which were traditionally manual and paper-based (Wikipedia 2018). Electronic accounting according to Yakubu and Gomen (2012) involves the documentation, tracking, recording, archiving and summarizing of transactions and events associated with a business entity as well as presenting related summary information to a business entity's interest groups in an electronic environment. Electronic accounting involves performing regular accounting functions, accounting research and accounting training and education through various computer/internet based accounting tools such as digital tool kits, various internet resources, international web based materials institute and company data bases which are internet based, web links, internet based accounting software and electronic financial spreadsheet tools to provide efficient decision making (Memis, 2011).

In another words, e-accounting or online accounting is the application of online and internet technologies to the business accounting function. The astronomical increase in the number of internet users worldwide had lend great support to the successful adoption of e-accounting by various organizations. This tremendous growth created many openings in varied spheres like; E-marketing, E-shopping, EHRM, E-CRM, E-mail, E-banking among others. So, it can be said that today's world is internet driven world in which everything is enabled.

E-accounting is composition of two words. "E" means electronic in which every record is in electronic form not on paper. "Accounting" is the art of recording, classifying and summarizing transactions in a significant manner. So, in an electronic accounting system, source documents and accounting records exist in digital form instead of on paper. It is an application of online and internet technologies to the business accounting function. E-accounting is new development in area of accounting. There has been an immense growth in this era of information and communication technology in business to support the exchange of data and information within and between organizations. All major institutions and organizations are in the favour of e-accounting. Accounting records related to Bank Reconciliation, Management Information System (MIS), cash management, accounts payable, accounts receivable, pay roll, and credit management, financial statements are totally online. An accountant should not only be interested in record keeping, but in the application of his professional competency or knowledge and skill in presenting accounting information to assist management in decision making.

Olaitan, Alaribe and Eze (2010) described competency as the successful performance of a task through the use of knowledge, skills, attitude and judgement. The *Future Workforce* Report (2000) issued by the Manpower Corporation carried the employers' expectations one step further. Their findings indicated that there were no futures for routine or unskilled labor. Today's economy requires specialization, expert skills and complex communications abilities (Levy & Murnane, 2005). A consensus was found in both historic and recent literature that more jobs will require skills that call for mastery of basic skills. However, Drucker, (1976) asserted that in addition to the orthodox 3R-basic skills (reading, 'riting and 'rithmetic), a profile of "knowledge workers" in the global economy will include analytical skills, creativity, innovation, strong competences in technology, sensitivity to



the issues of multiculturalism, and ability to collaborate with the global business partners to show proficiency in computers, and adept to complex service sector (Levy & Murnane, 2005).

Consequently, accounting graduates are expected to possess both applied and global competencies. Global competence was defined as “the capacity of an individual or a team to parachute into any country and get the job done while respecting cultural pathways”. Any graduate that is deficient in either applied or global competency will definitely be at disadvantage in the competitive world (Weisblat and Bresciani 2012). Educational researchers, policy makers, and practitioners concur with the business leaders that advanced skills of “knowledge workers” are key factors in the future economic success. Employers expect colleges to supply their firms with skillfully trained workers who can successfully compete in the global market place.

The noble objective of accounting education in colleges of education which dwells on production of teachers in accounting and accounting staff for different organisations may be unattainable if their products do not possess the required competencies for employment. In view of the foregoing, the research sought to identify the necessary competencies required of accounting graduates in colleges of education to make them relevant in the E-world.

### **Statement of the Problem**

Teaching of accounting in many tertiary institutions in Nigeria is still being dominated by manual and theoretical methods. Graduates from these institutions are not conversant with electronic accounting and this situation places them in a disadvantaged position in the world of technology. Though e-accounting is still at its teething stage in many developing countries of the world, the fact remains that every profession need to be ICT compliant. Graduates of accounting education need to acquire skills and competencies that will make them relevant and marketable in the e-world. Consequently, there is a need to determine the necessary competencies needed by accounting education graduates to make them fit into the electronic driven world.

### **Purpose of the Study**

The main purpose of this study was to determine the competencies required of accounting graduates in Oyo State colleges of education for relevance in the e-world. The study specifically sought to:

- Ascertain basic accounting competencies required of accounting education graduates in Oyo State colleges of education for relevance in the E-world.
- Determine global competencies required of accounting education graduates in Oyo State colleges of education for relevance in the E-world.

### **Research Questions**

- What are the basic accounting competencies required of accounting education graduates in Oyo State Colleges of Education for relevance in the E-world?
- What are the global competencies required of accounting education graduates in Oyo State Colleges of Education for relevance in the E-world?

### **Hypotheses**

The following null hypotheses were tested at 0.05 level of significance:

- Ho<sub>1</sub>: There is no significant difference in the mean ratings of lecturers and students on the basic accounting competencies required of accounting education graduates in Oyo State colleges of education for relevance in the E-world?

Ho<sub>2</sub>: There is no significant difference in the mean ratings of lecturers and students on the global competencies required of accounting education graduates in Oyo State colleges of education for relevance in the E-world?

**Method**

Descriptive survey research design was adopted for this study. According to Nworgu (2015), a survey research design is one which a group of people or items is studied by collecting and analyzing data from only a few people considered to be representative of the entire group. The population for this study comprised of 35 Lecturers and 373 Students of Accounting Education in Oyo State. Simple random sampling was used to select 75 students from the colleges of education under study while the total population of lecturers from the colleges were used.

Data were collected through a structured questionnaire on a four point Likert scale of; Very Highly Required (4), Highly Required (3), Not Required (2), and Highly Not Required (1). The instrument was validated by two experts in business education and achieved a reliability coefficient of 0.84 based on Cronbach Alpha procedure. A total number of 110 questionnaires were administered on the respondents with 100% rate of return. Data collected were analyzed using mean and standard deviation for the research questions, while t-test was used to test the hypotheses at 0.05 level of significance. Decision on research questions were made based on the real limit of scale values 1 to 4 on a 4-point scale as follows: Very Highly Required - 3.50 4.00, Highly Required - 2.50 3.49, Not Required - 1.50 2.49, Highly Not Required - 0.50 1.49. The null hypothesis was accepted where the calculated t-value was less than the t-table value at the appropriate degree of freedom, otherwise, the null hypothesis was rejected.

**Results**

**Research Question 1:**

What are the basic accounting competencies required of accounting education graduates in Oyo State colleges of education for relevance in the E-world?

**Table 1:** Mean Responses and Standard Deviation of lecturers and students on the basic accounting competencies required of accounting education graduates in Oyo State for relevance in the E-World.

S/N	Item Statement	X <sub>1</sub> n <sub>1</sub> =75	SD <sub>1</sub>	X <sub>2</sub> n <sub>2</sub> =35	SD <sub>2</sub>	XG	SDG	Decision
<b>Basic accounting competencies required of accounting education graduates are:</b>								
1	Cash book preparation	3.52	0.62	3.22	0.83	3.37	0.73	HR
2	Preparation of Petty Cash Book	3.10	0.47	2.89	0.57	3.00	0.52	HR
3	Posting of transactions into the ledger	3.60	0.77	3.20	0.52	3.40	0.65	HR
4	Journalizing transactions	3.30	0.52	3.00	0.67	3.15	0.60	HR
5	Preparation of accounts payable	3.00	0.69	2.66	0.54	2.83	0.62	HR
6	Computation of accounts receivable	3.25	0.53	3.10	0.72	3.18	0.63	HR
7	Compilation of Debtors and Creditors Registers	3.41	0.84	3.22	0.58	3.32	0.71	HR

8	Extracting Trial Balance from the Ledger	3.65	0.79	3.12	0.55	3.39	0.67	HR
9	Preparation of Final Accounts	3.68	1.02	3.34	0.83	3.51	0.93	VHR
10	Interpretation of Final Accounts	3.10	0.55	3.05	0.54	3.08	0.55	HR
11	Preparing Non-profit Making Organizations Accounts	3.00	0.72	2.90	0.66	2.95	0.69	HR
12	Preparing Manufacturing Accounts	3.23	0.51	3.30	0.68	3.27	0.60	HR
13	Preparing Partnership Accounts	3.26	0.64	3.00	0.71	3.13	0.68	HR
14	Stock Valuation	3.15	0.56	2.73	0.86	2.94	0.71	HR
15	Preparation of accounts for Limited Liability Companies	3.32	0.76	3.40	0.64	3.36	0.70	HR
16	Preparation of Hire Purchase Accounts	3.16	0.66	3.01	0.59	3.09	0.63	HR
17	Preparation of Royalty Accounts	3.22	0.64	3.66	0.83	3.44	0.74	HR
18	Preparation of Consignment Accounts	3.01	0.59	3.49	0.74	3.25	0.67	HR
19	Preparation of accounts for Public Sector	3.20	0.68	3.00	0.83	3.10	0.76	HR
20	Payroll Computation	3.36	0.72	3.57	0.55	3.47	0.64	HR
<b>Grand Mean/Standard Deviation</b>		<b>3.28</b>	<b>0.66</b>	<b>3.14</b>	<b>0.67</b>	<b>3.21</b>	<b>0.67</b>	<b>HR</b>

**Key:**  $x_1$  = Mean responses of students,  $SD_1$  = Standard Deviation of students,  $X_2$  = Mean responses of lecturers,  $SD_2$  = Standard Deviation of lecturers,  $N_1$  = Number of students,  $N_2$  = Number of lecturers,  $XG$  = Pull or aggregate mean,  $SDG$  = Pull or aggregate standard deviation.

Results from the Table 1 shows that item 9 which has a mean of 3.51 is very highly required. This implies that competency in preparation of final accounts is very highly required of accounting graduates of colleges of education for relevance in the E-world. Other items (1-10 and 10-20) with mean scores of 3.37, 3.00, 3.40, 3.15, 2.83, 3.18, 3.32, 3.39, 3.08, 2.95, 3.27, 3.13, 2.94, 3.36, 3.09, 3.44, 3.25, 3.10 and 3.47 are highly required of accounting graduates in Oyo State colleges of education for relevance in the E- world. The grand mean of 3.21 attested to the fact that all the basic competencies listed in the questionnaire are highly required of Accounting Graduates of Oyo State colleges of education for relevance in the E- world. The pull standard deviation ranges from 0.52 to 0.93 revealed that the opinions of the respondents are not heterogeneous.

### Research Question 2:

What are the global competencies required of accounting education graduates in Oyo State Colleges of Education for relevance in the E-world?

**Table 2:** Mean responses and standard deviation of lecturers and students on the global competencies required of accounting education graduates in Oyo State for relevance in the E-World.

S/N	ITEM STATEMENT	X <sub>1</sub> N <sub>1</sub> = 75	SD <sub>1</sub>	X <sub>2</sub> N <sub>2</sub> =35	SD <sub>2</sub>	XG	SDG	Decision
<b>Global Competencies required by Accounting Graduates of Colleges of Education are:</b>								
1	Use of Spreadsheet Software	3.57	0.89	3.46	0.77	3.52	0.83	VHR
2	Problems solving skills	3.46	0.67	3.55	0.85	3.51	0.76	VHR
3	Word processing	3.00	0.88	3.40	0.67	3.20	0.78	HR
4	Awareness in ethical issues	2.62	0.65	3.00	0.85	2.81	0.75	HR
5	Internet Research	2.58	0.59	2.84	0.76	2.71	0.68	HR
6	PowerPoint presentation software	3.00	0.87	3.25	0.64	3.13	0.76	HR
7	Database software	2.57	0.86	3.10	0.89	2.84	0.88	HR
8	Web Design	2.62	0.67	2.85	0.75	2.74	0.71	HR
9	Technology Security and Control	3.30	0.55	3.17	0.69	3.24	0.62	HR
10	System Analysis	3.00	0.84	2.88	0.57	2.94	0.71	HR
11	Auditing through Computer	3.75	0.96	3.59	0.76	3.67	0.86	VHR
12	Telecommunication Software	2.80	0.83	3.06	0.83	2.93	0.83	HR
13	Microsoft Excel Package	3.80	0.56	3.00	0.68	3.40	0.62	HR
14	Cost Analysis	3.00	0.73	2.89	0.84	2.95	0.79	HR
15	Forensic Accounting	2.55	0.56	2.63	0.77	2.59	0.67	HR
16	Electronic Money Transfer	3.76	0.94	3.55	0.59	3.66	0.77	VHR
17	Web Payment	3.84	0.76	3.64	0.63	3.74	0.70	VHR
18	Risk Management	3.62	0.62	3.53	0.87	3.58	0.75	VHR
<b>Grand Mean/Standard Deviation</b>		<b>3.16</b>	<b>0.75</b>	<b>3.19</b>	<b>0.75</b>	<b>3.17</b>	<b>0.75</b>	<b>HR</b>

Table 2 results indicates that items 1, 2, 11, 16, 17 and 18 with pull mean of 3.52, 3.51, 3.67, 3.66, 3.74 and 3.58 respectively are very highly required of accounting graduates of colleges of education in Oyo State for relevance in the E-world. Other items (3-10 and 12-15) with aggregate mean scores of 3.20, 2.81, 2.71, 3.13, 2.84, 2.74, 3.24, 2.94, 2.93, 3.40, 2.95 and 2.59 shows that they are highly required. The cluster means of 3.17 and standard deviation 0.75 indicates that global

competencies are required of accounting graduates in Oyo State colleges of education for relevance in the E-world. The standard deviation of the items ranges from 0.62 to 0.88 showed that the respondents were not very far apart in their opinion.

### Test of Hypotheses

**Ho<sub>1</sub>:** There is no significant difference in the mean ratings of lecturers and students on the basic accounting competencies required of accounting education graduates in Oyo State colleges of education for relevance in the E-world?

**Table 3:** Summary of t-test analysis of the opinion of lecturers and Students on the basic accounting competencies required of accounting education graduates in Oyo State for relevance in the E-World.

Group	N	X	SD	Df	P	t-Cal	t-Critical	Decision
Lecturers	35	3.14	0.67	108	0.05	0.68	1.98	Not significant
Students	75	3.22	0.66					

**Key:** *N* = No. of Respondents, *X* = Mean, *SD* = Standard Deviation, *Df* = Degree of Freedom, *P* = Level of Significance, *t-Cal* = *t*-calculated, *t-Critical* (table).

The result in Table 3 reveals that the *t*-calculated value of 0.68 is less than the *t*-critical table value of 1.98 at 0.05 level of significance and 108 degree of freedom. The hypothesis is therefore accepted.

**Ho<sub>2</sub>:** There is no significant difference in the ratings of lecturers and students on the global competencies required of accounting education graduates in Oyo State colleges of education for relevance in the E-world?

**Table 4:** Summary of t-test analysis of the opinion of lecturers and students on the global competencies required of accounting education graduates in Oyo State for relevance in the E-World.

Group	N	X	SD	Df	P	t-Cal	t-Critical	Decision
Lecturers	35	3.19	0.75	108	0.05	0.56	1.98	Not significant
Students	75	3.14	0.75					

**Key:** *N* = No. of Respondents, *X* = Mean, *SD* = Standard Deviation, *Df* = Degree of Freedom, *P* = Level of Significance, *t-Cal* = *t*-calculated, *t-Critical* (table).

Result in Table 4 shows that the *t*-calculated of 0.56 is less than the *t*-tabulated of 1.98 at 0.05 of significance and 108 degree of freedom. Hence the hypothesis was upheld.

### Discussion of Findings

The finding of this study revealed that both lecturers and students from Oyo State colleges of education agreed that all the itemized basic accounting competencies are highly required of accounting graduates in Oyo State colleges of education for relevance in the E-world. This finding is in line with the study of Klibi & Oussii (2013) which showed that professional accountants admit that



accounting graduates must possess a wide range of technical and generic skills in order to succeed their careers within the profession.

This study further showed that respondents concurred that global competencies are equally required of accounting graduates of Oyo State Colleges of Education for relevance in the E-world. This is in agreement with the findings of Weisblat, and Bresciani, (2012) which asserted that Global competencies, together with proficiency in computers and information technology, were critical for college graduates' success in the business environment and for their competitiveness in the global market place.

In addition, it was found that there was no significant difference in the responses of lecturers and students in Oyo State colleges of education on basic and global competencies required of accounting graduates for relevance in the E-world. Thus the null hypothesis was accepted. This is in contrast with the findings of Klibi & Oussii (2013) which indicated that even though there are similarities between student perceptions and employers' expectations, differences remain.

### **Conclusion**

Accounting Education as an arm of Business Education is primarily designed to prepare beneficiaries for teaching accounting courses in educational institutions as well as working as accounting officers in various organisations. To achieve these objectives, there is a need to equip graduates of accounting education with necessary skills. Information and Communication Technology (ICT) has transformed the mode of operation in various professions including accounting. This study established that global competencies, together with proficiency in computers and information technology, were critical for college graduates' success in the business environment and for their competitiveness in the global market place. However, possession of both basic and global competencies is a necessity for accounting education graduates for relevance in the e-world.

### **Recommendations**

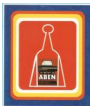
The following recommendations were made to guarantee the relevance of accounting education graduates in the e-world:

The existing curriculum of accounting education should be reviewed to reflect global competencies identified in this study.

Lecturers teaching accounting courses should be encouraged to go on refresher courses that will enable them to acquire sufficient skills in e-accounting and global competencies. Internet facilities, computers and accounting software packages should be sufficiently supplied to accounting departments to enhance effective teaching and learning of necessary skills for their graduates to fit into the e-world.

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