Global Business and Management Research: An International Journal
Vol. 12, No. 4 (2020)

Factors Influencing Business Students' Academic Performance in Accounting

Faizah Mohd Khalid *
Fatimah Hanim Abdul Rauf
Mohd Akmal Mohd Fauzi
Muhammad Alif Shafiee
Nabihatul Huda Hamid Khan
Nurin Jazlina Rosmahadir
Department of Accounting & Finance, Universiti Tenaga Nasional
Email: faizah@uniten.edu.my

** Corresponding Author*

Abstract
Purpose: To investigate factors influencing academic performance in accounting subject at a private university in Malaysia.
Design/methodology/approach: Purposive sampling method was used to determine sample respondents and questionnaire survey method was used to gather data from business students. We distributed 200 questionnaires but only 152 of the responses collected were usable for analysis. Data were analysed using descriptive statistics and correlation analysis.
Findings: Results show that perceived difficulties and past learning experience have statistically significant relationship with business students' academic performance in accounting subject.
Research limitations/implications: The responses for the research is limited to business students of a private university and may not represent all business students in Malaysia. Further, the method used to gather data was by means of questionnaire survey. Other methods such as interviews may be used to gather more in depth information of the phenomenon.
Practical implications: Educators and related parties need to introduce teaching and learning methods that would engage, improve business students' interests and motivation to appreciate the accounting subject in order for them to enrich their understanding of the subject and improve their academic performance in accounting.
Originality/value: The findings provide new empirical evidence on determinants influencing business students' academic performance in accounting subject.

Keywords: Perceived difficulties, subjective norms, lecturer competencies, past learning experience, academic performance.

Introduction

Accounting is a core course in business programmes. Every business student needs to know how to handle numbers and figures. Sometimes students take up this subject only for the sake to get their bachelor degree as the subjects are compulsory for that programme or are influenced by friends, families and others (Seng, 2016). Despite the fact that some students do not have any background in accounting, they performed well in introductory accounting subjects. However, many students did badly in the subject, and some even failed at it. They were not exposed to what and why they are taking the subject and what subject that is being offered in business school. Some students face difficulties in trying to understand the basic principles of accounting. Such issues will contribute to their failure to pass introductory accounting course

(Muda, Hussin, Johari, Mohamed Sapari, & Jamil, 2013). Further, literature indicate that non-accounting students perceived accounting subjects as difficult and boring (Huang & Si, 2019; Bakar, Amirul, Ripain, Ab Fatah & Bosi, 2020; Dangi, Adam & Rashid, 2017).

Bearing that in mind, this research aims to investigate factors influencing business students' academic performance in their accounting subject. Specifically, the research focuses on business students of a private university in Malaysia, University A. This university offers accounting and business programmes. The financial and managerial accounting subject is a core subject that business students are required to take The subject covers introductory financial accounting topics as well as essential managerial accounting basics for decision-making topics, all rolled into one. The subject seeks to equip students with sufficient knowledge to understand and interpret financial statements and analyse relevant information for managerial planning and decision-making. With proper initiation and method, students may enjoy learning the subject, take interest in it and somehow motivate the students to learn about the importance of accounting subject.

The factors investigated that may influence business students' academic performance in accounting subject are perceived difficulties, subjective norms, lecturer competencies and past learning experience. This research is expected to shed some light on how these factors may affect business students' understanding and level of acceptance of accounting subject, where students are willing to learn without any hesitation and know the importance of this subject to those who have intention to further studies in business programmes. We expect that the outcome of this study will assist related parties to expand accounting learning experience and transform the perceptions of business students into appreciating accounting in their academic syllabus.

Literature Review and theoretical framework

Financial and Managerial Accounting Subject

Introductory accounting subject is a stepping-stone for non-accounting students to acquire fundamental knowledge of accounting concepts. The subject helps students to understand accounting more smoothly. Students of non-accounting major should be aware of the importance of learning introductory accounting subject since basic knowledge of accounting will facilitate them to understand financial reporting and decision making easily in the future. Hence, introductory accounting subjects are essential whether for accounting students or non-accounting students (Kukreja & Al Aali, 2013).

Blackmore and Blackwell (2006) shared the importance of accounting subjects. They pointed out that accounting education provides a wide range of benefits to business schools. This is because accounting knowledge has become increasingly important worldwide since many companies collapse due to lack of accounting practices. Lin, Xiong and Liu (2005) identified that financial accounting and management accounting are the first and third most important knowledge subjects out of 19 subjects.

Academic performance of Business Students taking accounting subject

There are various business programmes in university to choose from, such as accounting, finance, management, marketing, economics and information systems for undergraduate business students to choose as their major. Students may have made their choices during their secondary school years, right after they received their SPM results and some may even sign in for certain programmes due to influence from important persons in their lives. However, most students did not have the knowledge of accounting practice before joining the university. They only realised the importance of accounting practices after joining the university (Salem, 2013).

Geiger and Ogilby (2000) examined accounting and non-accounting students' perceptions of

managerial accounting course at university level and discovered that accounting major perceived the course more favorably than non-accounting majors. Apart from that, literature also indicate that there are significant differences between Accounting and Finance major and other business majors regarding their perceptions and expectations of the first course in accounting (Tickell, Lim, and Balachandran, 2012). Nonetheless, there are business students who are able to perform well in accounting subjects and others that do not.

Perceived Difficulties

Perceived behavioral control reflects an individual's perception whether performing a particular behavior is perceived to be easy or difficult. This can be seen as a form of constraint that will prevent the person from getting involved in that behaviour (Ajzen, 1991). Perceived difficulties in this research refers to business students' perceptions towards learning the Financial & Managerial Accounting. Albrecht and Sack (2000) state that the stereotypes of the accounting profession as "boring, tedious and monotonous", perpetuate negative attitudes about accountants. Literature also suggest that in general, business students think that accountants are "dull, boring and number crunchers" (Tan & Laswad, 2005). Further, Tailab (2013) posits that the main impediments that had led to negative perceptions among students towards accounting subjects were lack of teaching assistant, lack of interaction between students and teacher, differences of text book learning with practice, inappropriate textbooks and examination scope, lack of computer applications and English proficiency. Nonetheless, Goh and Scerri (2016) discovered perceived difficulties can be reduced if the subject is considered fun and interesting. Supportive faculty and classmates in the student-learning environment also play a role in reducing the perceived difficulties. However, Fadzillah, Jamaluddin, Ahmad et al (2020) discovered interest affects academic performance of students taking accounting subject. Given the inconsistencies of findings related to perceived difficulties, the hypothesis generated from the past research is:

H_1: There is significant relationship between perceived difficulties and academic performance.

Subjective Norms

Subjective norm is a form of perceived social pressure by an important reference groups, which caused an individual to do or not to a certain behaviour (Ajzen, 1991). A study by Goh and Scerri (2016) also discovered that important persons in the student's life positively influence the students in understanding complex accounting concepts and enhancing interest towards the subject. They also iterated that peers are the most important subjective norms that influence accounting studies as students refer to them when studying accounting. A study by Singh, Malik and Singh (2016) provide similar finding, where they discovered that peers has more influence than family. Therefore, the hypothesis that this research is testing is:

H_2: There is significant relationship between subjective norms and academic performance.

Lecturer competencies

Lecturer competencies in this study means the ability of the lecturer to provide either positive or negative environment in the class. From this context, Ramsden's (1992) Model of Student Learning in Context and Biggs' Alignment Model (1996) suggest that the course is more likely to achieve their objectives in an 'aligned teaching or learning environment, where the objectives are aligned with curriculum, teaching methods and assessment (Mladenovic, 2000). Several lecturer competencies that contributed to the failure of introductory financial accounting subject are lecturers are not available to provide academic guidance after class hours, lack of effort to help students, ambiguous explanations and proper examples are not used

in delivering the syllabus (Muda et al, 2013). There is no doubt about the importance of lecturer's role to educate and motivate students to perform well in their studies. For example, Tucker et al. (2002) found that students' engagement on academics depends on the involvement of teachers. In contrast, Tailab (2013) discovered that major problems to academic performance are lack of teaching assistants and computerized practice sets. Azis, Mahmud and Muda (2019) however posit that lecturer's knowledge (competency) has positive effects in students' performance. It is important for teachers to strive to help students by providing appropriate examples for better understanding, two-way communications in the classroom, teaching accordingly to teaching plans and so on. Therefore, the hypothesis tested is:

H_3: There is a significant relationship between lecturer competencies and academic performance.

Past Learning Experience

Guney (2009) claims that students' past educational experiences affect the perceptions and academic performance of non-accounting students studying accounting subject. Skill in calculations is required in accounting and therefore, having a prior accounting knowledge is an advantage to the students. This is what drove researchers to investigate the impact of prior exposure to accounting education and mathematical background on student's performance in accounting courses at college level. However, the results were inconclusive. For example, Rohde and Kavanagh (1996) found that prior knowledge of accounting acquired through secondary schools is a significant performance determinant in college accounting courses. Further, Halabi (2009) established that earlier knowledge and higher grades in previous accounting subjects can lead to better results in future accounting subjects. Bryant and Hunton (2000) also support the finding. On the contrary, Byrne & Flood (2008) found that prior knowledge of accounting was not significantly associated with both students' performances in financial and management accounting. Similarly, Prochazka (2016) did not discover any relationship between past learning experience and student performance. Due to the inconsistencies of findings of earlier studies, the hypothesis generated is:

H_4: There is a significant relationship between past learning experience and academic performance.

Theoretical Framework and Schematic Diagram

This research is underpinned on the premise of Theory of Planned Behaviour (TPB) and is depicted in a schematic diagram in Figure 1.

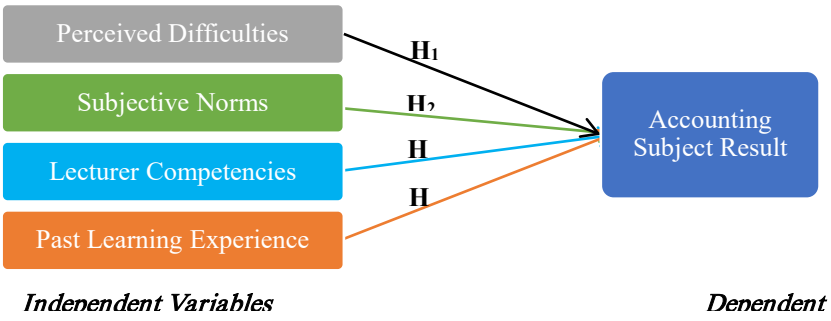

Figure 1: Schematic Diagram

TPB (Ajzen, 1991) was developed from Theory of Reasoned Action (TRA). When using this theory, the implementers need to consider three types of beliefs that tend to guide human behaviour, which are behavioural, normative and control. The behavioral beliefs produce a

favorable or unfavorable attitude towards the behavior and the guidance considered as positive and negative outcomes, meanwhile normative beliefs result in perceived social (or peer) pressure or subjective norm. Control beliefs influence the performance of the behavior by producing a behavioral control.

Method

Population and sample selection

The research is conducted at University A where business programmes are offered. The total number of business students who had taken the accounting subject was 240 during the time data collection was completed. According to Sekaran & Bougie (2016), the suggested sample size for a population of 240 is at minimum 148 respondents. Purposive sampling from the non-probability sampling techniques was used as it is confined to specific types of people who can provide the desired information and because they are the only ones who have or meet the criteria that specified by the researcher (Sekaran & Bougie, 2016).

Data Collection

Primary data collection was completed by questionnaire distribution to business students who had taken Financial & Managerial Accounting subject at University A. The questionnaire was adapted from past research of Muda et al. (2013) and Goh and Scerri (2016). Prior to distribution, reliability test was conducted. Cronbach's alpha for the independent and dependent variables were between .758 to .833. The α were considered acceptable as they were in range above 0.7 (Field, 2009). The questionnaires were then distributed to business students at University A.

Measurement of Variables

The questionnaire consist of five sections namely Section A, B, C, D and E. Section A focuses on the demographic profile of the respondents which includes gender, race, course of study, grade achieved in Accounting subject and prior learning experience in accounting. Sections B – D represents independent variable consisting of perceived difficulties, subjective norms and lecturer competencies. Table 1 provides a summary of the measurements for the variables.

Table 1: Summary of measurement of variable

Variables	Definition	Measurement
Academic performance for the accounting subject	The grade the student achieve for the accounting subject.	1 = Below Average (< 2.00) 2 = Average (2.33 - 2.67) 3 = Good (3.00 - 3.33) 4 = Excellent (3.67 - 4.00)
Perceived difficulties	Perceived difficulties reflect an individual's perceived ease or difficulty in performing particular behaviour.	5-point Likert Scale: 1= Strongly disagree 2= Disagree 3= Neutral 4= Agree 5= Strongly agree
Subjective norms	Form of perceived social pressure that caused by another important reference groups to an individual, and who consider he or she should do or not to conduct certain behaviour	
Lecturer competencies	Impact of lecturer involvement on the academic engagement of business students.	
Past learning experience	Prior exposure to accounting background courses on academic performance in university	0 = No 1 = Yes

Findings

Demographic Analysis

Demographic analysis of the respondents are presented in Table 2. Total number of respondents was 152. The number of responses is sufficient for data analysis as the minimum number required was 148 responses. Majority of the respondents were female at 68%. Malay students were the majority at 77%. Further, 71% of the students had prior learning experience in accounting before doing financial & managerial accounting subject at University A. Students majoring in Bachelor in Human Resources made up 66% of the respondents followed by International Business at 18%, while the rest students who took Finance, Marketing and Entrepreneurship. Finally, in terms of academic performance for the accounting subject taken, majority of the students recorded excellent performance at 59%, while only 5% of the business students achieved below average performance.

Table 2: Demographic Analysis

		Freq.	%			Freq.	%
Gender	Male	48	31.6	**Race**	Malay	117	77.0
	Female	104	68.4		Chinese	4	2.6
					Indian	30	20.4
Prior learning experience	Yes	108	71.1				
	No	44	28.9	**Course**			
				Bachelor in Finance		12	7.9
Academic Performance for accounting subject:				BBA in:			
Below Average (< 2.00)		8	5.3		Human Resource	101	66.4
Average (2.33 - 2.67)		27	17.8		Marketing	8	5.3
Good (3.00 - 3.33)		28	18.4		International Business	28	18.4
Excellent (3.67 - 4.00)		89	58.6		Entrepreneurship & Venture Management	3	2.0

Normality Tests

Test of normality indicate that all variables were not normally distributed (p<0.05).

Correlation Coefficient

Spearman's rho correlation coefficient was measured to identify strength and direction of association existed between the variables. Results illustrate:

1. A negative correlation coefficient of 0.256 was noted between perceived difficulties and business students' academic performance (p<0.01). Thus, H_1 is supported.
2. A positive correlation coefficient of 0.205 was found between prior learning experience and business students' academic performance (p<0.05). Thus, H_4 is supported.

However, subjective norm and lecturer competencies were found not to have statistically significant relationship with academic performance (p > 0.05).

Table 3: Correlation coefficient

		Academic Performance
Spearman's rho	Perceived difficulties	-.256**
(N=152)	Subjective norms	.148
	Lecturer competencies	.086
	Prior Learning Experience	.205*

Correlation is significant at the 0.01 level (2-tailed).**
Correlation is significant at the 0.05 level (2-tailed).*

Discussion and Conclusion

Accounting is usually a core subject in non-accounting syllabus. Accounting subject is important due to its usefulness later in (working) life. However, non-accounting students perceive it to be dry and dull and is quite tough for some (Chen, Tsu & Chen, 2013).

Underpinned by Ajzen's Theory of Planned Behaviour, the research propose that perceived difficulties, subjective norms, lecturer competencies and past learning experiences are associated with business students' academic performance in accounting subject. Statistical results indicate that only perceived difficulties (p <0.01) and past learning experience in accounting (p <0.05) are associated with academic performance in accounting subject.

The first hypothesis was there is a significant relationship between perceived difficulties and academic performance in accounting subject. The negative relationship found between perceived difficulty and academic performance suggests that students who perceive the subject as difficult will do poorly in the accounting subject. The result is consistent with previous study by Tailab (2013) that discovered low academic achievement in accounting subject was due to students' perceived difficulty of the subject. This means that perceived difficulties in learning accounting may lead to poor academic performance. Thus, H_1 is supported.

The second hypothesis was there is a significant relationship between subjective norms and business students' academic performance in accounting subject. Results found no association between subjective norms and academic performance in accounting subject (p >0.05). The result is not consistent with previous study by Ab Razak et al. (2019) that found significant relationship between family and peers influence (subjective norms) with academic performance. Therefore, H_2 is not supported.

The third hypothesis test the relationship between lecturer competencies and academic performance in accounting subject. Result shows no association between the two variables ($p > 0.05$). The result is not consistent with previous study by Tucker et al. (2002) who found that lecturers give an impact to the achievement of students. Thus, H_3 is not supported.

The fourth hypothesis tested the association between past learning experiences in accounting with academic performance. Result shows that there is statistically significant relationship between past learning experience and academic performance ($p< 0.05$). The result is consistent with Halabi (2009) findings whereby having past learning experience in accounting can lead to better results in future accounting subjects, which means that H_4 is supported.

Limitation and Recommendation

A limitation of this research is that it focused on business students who took accounting subject at University A, which means that the results of the research may not be representative of all business students across Malaysia. Thus, caution must be taken when quoting the results of this research.

Empirical evidence demonstrate perceived difficulties and past learning experience affected academic performance in accounting. The perceived difficulties and academic performance were negatively associated, which suggests that when a student perceived that accounting subject as highly difficult, their academic performance may be affected negatively. Due to this, educators need to manage the negative perceptions and attitudes towards accounting subject by providing detailed information of items discussed in class so that students are not left behind in lessons. Further, improvements to teaching and learning approaches that are more interactive are needed to correct the negative perceptions (Ab Razak et al, 2019). For example, using competitive-based learning strategy (Radzi, Drahman, Joseph et al., 2020), framework-based teaching approach (Azis et al., 2019) or blended learning approach (Nuris, Nuraini, & Nagari, 2018), which may be considered as learning approaches in the classroom.

The significant association between past learning experience and academic performance was another important finding that is relevant. Although literature observed that past learning experience did not influence academic performance (for example Byrne & Flood, 2008; Procházka, 2016), this current research supports earlier discoveries of Rohde and Kavanagh (1996) and Halabi (2009). The result suggests that business students with prior accounting experience will perform better than those without prior experience. Thus, universities may need to consider including past learning experience in accounting as a requirement in their student selection process. This is because, an earlier exposure to basic accounting subject as a prerequisite to entering into a business programme may reduce students' perceived difficulties and positively affect their academic performance before they proceed to the intermediate level. Other than that, universities may also want to introduce the accounting subject progressively to these students by splitting the accounting subject into several parts according to the level of difficulty (example accounting 1-basic level, accounting 2-intermediate level) rather than assessing one accounting subject at an intermediate or advanced level. This procedure may offer business students some relief and assist them to better appreciate the subject.

To date, due to perceived difficulties of the accounting subject; University A had restructured related accounting subject's coverage of their business programmes. Nonetheless, albeit perceived difficulties, majority of the students did achieve above average grades in their accounting subject (77%) prior to the syllabus restructuring.

References

Ab Razak, W. M. W., Baharom, S. A. S., Abdullah, Z., Hamdan, H., Abd Aziz, N. U., & Anuar, A. I. M. (2019). Academic Performance of University Students: A Case in a Higher Learning Institution. *KnE Social Sciences*, 1294-1304.

Ajzen, I. (1991). The theory of planned behaviour. *Organizational Behaviour and Human Decision Processes*, 179-211.

Albrecht, W., & Sack, R. (2000). *Accounting education: Charting the course through a perilous future*. New York,NY: American Institute of CPAs.

Azis, N., Mahmud, R., & Muda, R. (2019). Factors Affecting Students' Academic Performance in Financial Reporting Course Using Framework-Based Teaching Approach. *Asian Journal of University Education*, 15(3), 142-150.

Bakar, M. A. A. A., Amirul, S. M., Ripain, N., Ab Fatah, N. S., & Bosi, M. K. (2020). A Preliminary Analysis of Non-Accounting Students Perception towards Introductory Accounting Course among Private Institution in Sabah. *Malaysian Journal of Business and Economics, Special Edition* (2), 1-11.

Blackmore, P., & Blackwell, R. (2006). Strategic leadership in academic. *Studies in Higher Education*, 31(3), 373–387.

Bryant, S. M., & Hunton, J. E. (2000). The use of technology in the delivery of instruction: implications for accounting educators and education researchers. *Issues in Accounting Education*, 15(1), 129-163.

Byrne, M., & Flood, B. (2008). Examining the relationships among background variables and academic performance of first year accounting students at an Irish University. *Accounting Education*. 26, 202-212.

Chen, B.H., Hsu, M. & Chen, M. (2013). The relationship between learning attitude and anxiety in accounting classes: the case of hospitality management university students in Taiwan. *Qual Quant*, 47, 2815–2827.

Dangi, M. R. M., Adam, M. F., & Rashid, M. Z. A. (2017). An Innovation in Teaching and Learning of Accounting Concept Using AccRoBa© Game Approach. *Jurnal Pendidikan Malaysia*, *42*(1), 21-32.

Fadzillah, N. S. M., Jamaluddin J., Ahmad, M. A. N., Mohd Din, N. & Abdul Jabar, F. (2020). Factors Affecting Student Performance in Accounting Subject: A Case of Pre-Diploma Students. *Gading Journal for Social Sciences*, 23(01), 60-64.

Field, A. (2009). *Discovering statistics using SPSS:(and sex and drugs and rock'n'roll).* Sage.

Geiger, M. A., & Ogilby, S. M. (2000). The first course in accounting: Students' perceptions and their effect on the decision to major in accounting. *Journal of Accounting Education*, 18, 63-78.

Goh, E., & Scerri, M. (2016). I study accounting because I have to: An exploratory study of hospitality students' attitudes towards accounting education. *Journal of Hospitality & Tourism Education*, 28(2), 85-94.

Guney, Y. (2009). Exogenous and Endogenous Factors Impacting Student Performance in Undergraduate Accounting Modules. *Accounting Education: An International Journal*, 18(1), 51-73.

Halabi, A. (2009). Empirical evidence examining the academic performance of students in the first two accounting subjects. *Asian Review of Accounting*, 17(1), 77-88.

Huang, X., & Si, Y. (2019). Exploration on the Reform of Accounting Courses for Non-accounting Majors in Economics and Management. *5th International Conference on Social Science and Higher Education (ICSSHE 2019*). Atlantis Press.

Kukreja, G., & Al Aali, M. H. (2013). The Determinants of Students' Performance in Introductory Accounting Courses: Evidence from Kingdom of Bahrain. *Journal of Emerging Issues in Economics*, Finance and Banking, 1(3).

Lin, Z. J., Xiong, X., & Liu, M. (2005). Knowledge base and skill development in accounting education: Evidence from China. *Journal of Accounting Education*, 23, 149–169.

Mladenovic, R. (2000). An investigation into ways of challenging introductory accounting students' negative perceptions of accounting. *Accounting Education*, 9(2), 135-155.

Muda, S., Hussin, A., Johari, H., Mohamed Sapari, J., & Jamil, N. (2013). The key contributing factors of non-accounting students' failure in the introduction to financial accounting course. *Procedia-Social and Behavioral Sciences,* 90, 712-719.

Nuris, D. M. R., Nuraini, U., & Nagari, P. M. (2018). Blended Learning Application in the Accounting Education: Life-based Learning Paradigm. KnE Social Sciences, 71-78.

Procházka, D. (2016). The determinants of students' success in the introduction to accounting course at the university level. *The Turkish Online Journal of Educational Technology*, Special Issue, 777-784.

Radzi, A. I. N., Drahman, D. N. A., Joseph, C., Rahmat, M., & Suria, K. (2020). Competition-based Learning Strategy of the Online Introductory Accounting Quiz for Non-accounting Majors. *International Business Education Journal*, 13(1), 83-94.

Ramsden, P. (1992). *Learning to Teach in Higher Education*. London & New York: Routledge.

Rohde, F. H., & Kavanagh, M. (1996). Performance in first year university accounting: Quantifying the advantage of secondary school accounting. *Accounting and Finance,* 36, 275-285.

Salem, D. M. (2013). The future of accounting as a subject in a business school: A literature review, *The Journal of Human Resource and Adult Learning*, 9(2).

Sekaran, U., & Bougie, R. (2016). *Research Methods for Business: A skill-building approach*. John Wiley & Sons Ltd.

Seng, L. T. (2016). Factors influence students' choice of accounting major in Cambodian universities. *Asian Review of Accounting*, 24(2), 231-251.

Singh, S. P., Malik, S. & Singh, P. (2016). Factors Affecting Academic Performance of Students. *Paripex - Indian Journal of Research*, 5(4), 176-178.

Tailab, M. M. (2013). Difficulties of Acedemic Achievement in Principles of Accounting Courses from the Student Perspective: Evidence from Libya. *Higher Education Studies,* 3(5).

Tan, L., & Laswad, F. (2005). Charting a course into accountancy. *Chartered Accountancy Journal of New Zealand*, 84(3), 59-61.

Tickell, G., Lim, T. K., & Balachandran, B. (2012). Student Perceptions of The First Course In Accounting: Majors Versus Non-Majors. *American Journal Of Business Education*, 5(5), 501-514.

Tucker, C. M., Zayco, R. A., Herman, K. C., Reinke, W. M., Trujillo, M., Carraway, K., et al. (2002). Teacher and child variables as predictors of academic engagement among low-income African American children. *Psychology in the Schools*, 39, 477-488.