

Career Mismatch of Financial and Management Accounting Graduates in One Asian University

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Abstract - In this study, an attempt has been made to estimate the incidences of career mismatch and know the factors that can lead to such, which is one of the problems encountered by the FMA graduates. This study covers the profile of the graduates and their employment status. This also determines the reasons why these graduates are employed in a career far from the degree they finished. In line with this, the researchers used descriptive method of research design. Results showed that the majority of the Business Administration (BSBA) students major in Financial Management Accounting (FMA) graduates are female, single and gainfully employed and are currently working within the country and they land at their first job which is related to the course in a span of 1 to 3 months. Additionally, the top perceived factor of the graduates on career mismatch was there is no interest of getting the job. The perception of female regarding factors affecting career mismatch differs with the male graduates. And lastly, a proposed plan of action was formulated to address the career mismatch of BSBA FMA graduates.

Keywords: Financial Management, Graduates, Skills, Competencies, Mismatch

INTRODUCTION

The graduates are the ultimate products of higher education institutions. They move in every part of the world to showcase their skills and competencies and be involved in the development of every nation. They are now part of the work force who contributes to the success of every organization leading towards a common goal (Dotong, 2014). One of the problems of students in getting employed after graduation is meeting the job requirements that an organization requires of applicants for a job (Refozar & Del Mundo, 2013).

In the world of international business, there is a growing need in financial and management accounting for professionals, who meet the requirements set by the firms operating in a global business environment. Almost every organization requires professional financial management, and this increasing need will prompt a steady growth in demand for financial

management graduates. From Chief Financial Officer to cash controller, there are a wide range of career choices available. This program offers you a route into the financial professions, as well as fostering skills that are vital to a range of careers in business. Effective financial management is critical for efficient business operations, so well-trained, experienced financial managers with a strong grasp in the operations of all departments within their organization are valued for promotion to top management positions. Tragically, in an economy facing major problems relating to scarcity, many graduates cannot find employment. In short, there is a mismatch between the graduates produced and the skills required. Specifically, some Financial and Management Accounting graduates experience job mismatch. There is a mismatch between what is being taught and the skill-set industry needs. It is something known for a while, that industry finds the graduates

unsuitable for the jobs they are offering. Students must realize the importance and objectives of having knowledge, skills and attitude which are significant in their future employment (Laguador, 2013a).

Mismatch exists in the labor market in the form of educational or skills mismatch. These are reported to have serious effects on wages and associated with negative labor market outcomes. The basic idea is that, although higher education raises productivity in general, the actual level of productivity realized is also determined by the match between educational and job level. Mismatch can be noticed when workers and jobs are randomly assigned to labor markets. Each labor market clears that sometimes there are lots of jobs yet no suitable worker. Thus, there are lots of workers yet no available job. As workers and jobs move between labor markets, some unemployed workers find vacant jobs and some employed workers lose or leave their job and become unemployed. The model is quantitatively consistent with the co movement of unemployment, job vacancies, and the rate at which unemployed workers find jobs over the business cycle. It can also address a variety of labor market phenomena, including duration dependence in the job finding probability and employer-to-employer transitions, and it helps explain the cyclical volatility of vacancies and unemployment.

As in the case of the Philippines, there is indeed a need to look and review career mismatch because this causes high unemployment rate. The evident reason observed is that college graduates' skills do not match with the available job vacancies and the specific fields they should be placed on is already occupied, therefore they will be left unemployed. The Department of Labor and Employment said that many of the graduates do not satisfy what the economy needs. They are either not ready for the jobs or they do not possess the needed skills or knowledge needed for the work they are applying for (Jasa & Corpuz, 2013).

According to the Chartered Institute of Management Accountants (2014), having earned degrees to enhance their employability, many Financial and Management Accounting graduates are now underemployed or jobless because there is not enough demand for their skills so they are being pushed to accept any job opportunities that come their way for them to sustain their needs. In such cases, Financial and Management Accounting students face a jobs-skills mismatch wherein the training of jobseekers simply does not match the requirements of the companies looking for people to fill their vacancies. This mismatch problem appears to span job categories ranging from the relatively low skilled to highly specialized ones. It is

also a problem seen in both the private and public sectors.

Thus, the researchers chose to have this study to specifically analyze the education-occupation mismatch in their chosen course, the Financial and Management Accounting. This is to help the FMA upcoming graduates know the consequences of career mismatch and the solutions to the said consequences. The present study aims to contribute knowledge by analyzing the incidence of the various types of job mismatches among FMA graduates. With these, the university can help educate the graduating students as they face their future job. As said earlier, when there is mismatch, there will also be unemployment. With this study, the researchers may avoid future unemployment and/or prepare themselves for the possible consequences that they may encounter.

OBJECTIVES OF THE STUDY

The study aims to determine the career mismatch of the Financial and Management Accounting Graduates. More specifically, it seeks to describe the profile and employment status of the graduates; to determine the factors affecting career mismatch of the graduates; to test the significant difference on the cause of career mismatch when grouped according to profile variables and to propose plan of action to enhance employability and decrease mismatch.

METHODS

Research Design

In order to gather the needed information regarding the career mismatch of FMA graduates, the study used descriptive method and utilized questionnaire as the tool for data collection. Descriptive research design is used to obtain information concerning the current status of the phenomena to describe "what exists" with respect to variables or conditions in a situation.

Participants

The participants of the research are composed of the Financial and Management Accounting graduates of Lyceum of the Philippines University-Batangas from school year 2009-2012. From a total population of 101, 65 graduates served as sample of this study.

Instrument

The researchers adopted an instrument in order to know the reason for career mismatch in LPU graduates particularly BSBA FMA. The data were gathered with

the use of survey and questionnaire with regard to the reasons of career mismatch in LPU.

The first part of the questionnaire deals with the profile of the participants of the research and the second part is the area where the reason for having career mismatch will be identified through questionnaire.

Procedures

After the approval of the research topic, the researchers gathered journals, related theses, books from the library and related information from the internet. Upon gathering sufficient data and information, the researchers prepared the questionnaire and presented it to the research adviser for checking and revision. The researchers also wrote a letter of request to the University Registrar for the list of Financial and Management Accounting graduates of Lyceum of the Philippines University-Batangas from 2009-2012 signed by the Dean.

After the pre-oral defense, the researchers distributed the questionnaires to the respondents. Upon retrieval of the questionnaires, were encoded and tallied in a spreadsheet, analyzed and interpreted.

Data Analysis

The data were encoded, tallied and interpreted using descriptive and inferential statistics. This includes frequency distribution and ranking to identify the profile and employment status of the respondents, weighted mean to determine the factors affecting career mismatch of the graduates and Analysis of One-way Variance (ANOVA) to determine if there is a significant difference on the cause of career mismatch when grouped according to profile variables and to propose plan of action to enhance employability and decrease mismatch. All data will be treated using PASW version 18 with 0.05 alpha level to accept or reject the hypothesis of the study.

RESULTS AND DISCUSSION

Table 1 presents the demographic profile of the respondents in terms of gender, civil status and year graduated. According to the LPU Registrar’s Office (2014), most of the graduates of the FMA program are female which comprised 74% while male were only 26%. This probably is the reason why there are more female respondents in the study. Majority of the respondents are single which obtained the highest frequency of 59 or 90.80 percent. Since they graduated two years ago, they tend to pursue career first than entering into a married life.

Table 1. Percentage Distribution of the Respondents’ Profile

Profile Variables	F	%
Gender		
Male	13	20.00
Female	52	80.00
Civil Status		
Single	59	90.80
Married	6	9.20
Year Graduated		
2009	12	18.50
2010	17	26.20
2011	10	15.40
2012	26	40.00

It was found out that most of the graduates were from the 2012. This batch has the most number of graduates and that they are easier to communicate because they are presently working within the country and are into social networking.

According to Rijing (2015), if companies have proper career development for their local staff, they would find fresh graduates willing to work for them however, some companies lacked proper human resource management and training. It has also come to the state where tertiary education has not linked up all that well with industries and some fresh graduates find themselves uncompetitive in the job market because of the skills mismatch and misalignment. Graduates look for a job that is gainful in terms of profit in order to support the needs and wants.

It is also observed that graduates of batch 2011 obtained the lowest percentage or fifteen percent (15%) only. This can be traced from the records of the LPU Registrar since this batch was the second to the lowest of the number of FMA graduates.

Table 2 illustrates the results of employment status of Financial and Management Accounting graduates. In relation to present occupation most of the graduates included in the survey are presently employed shows a frequency of 62 or 95.40 percent. Among the nature of employment the highest posted in table are gainfully employed (61 or 93.80 percent), and the underemployed which have the lowest number (1.50 percent). Many of the graduates are gainfully employed because there is a growing need in Financial and Management Accounting professionals. Almost every organization requires professional financial management, and this increasing need will prompt a steady growth in demand for financial management graduates.

Table 2. Percentage Distribution of the Respondents' Employment Data

Employment Data	F	%
Are you presently employed?		
Yes	62	95.40
No	3	4.60
Nature of Employment		
Underemployed (part time, job is not related to your field of specialization)	1	1.50
Gainfully employed (regular or fulltime job)	61	93.80
No Response	3	4.60
Present Occupation		
Executives, Managers, Managing Proprietors and Supervisors	6	9.20
Professionals	30	46.20
Technicians and Associate Professionals	1	1.50
Clerks	10	15.40
Service Workers and Shop and Market Sales Workers	6	9.20
Others	12	18.45
Major line of business of the company you are presently employed in		
Manufacturing	8	12.31
Electricity, Gas and Water Supply	3	4.62
Extra-territorial Organizations and Bodies	1	1.54
Other Community, Social and Personal Services Activities	3	4.62
Other	47	72.31
No Response	3	4.62
Place of PRESENT Work		
Local	52	80.00
Abroad	10	15.40
No Response	3	4.60
Is this your FIRST job after college?		
Yes	19	29.20
No	43	66.20
No Response	3	4.60
*Reasons for accepting your PRESENT job		
Salaries and benefits	38	58.46
Career challenge	39	60.00
Related to special skills	24	36.92
Proximity to residence	14	21.54
Security of Tenure	1	1.54
Is your FIRST job related to the course you took up in college?		
Yes	49	75.40
No	16	24.60
Length to Land on the First job		
1-3 months	45	69.20
4-6 months	15	23.10
7-9 months	1	1.50
10-12 months	1	1.50
13 months and above	3	4.60

*Multiple Response

DOLE states that approximately 12% of the total population of the Philippines lives overseas. They primarily migrate in search of better job opportunities and better life conditions. They often leave behind their families and relatives in the Philippines, in the hopes of sending back remittances to make their economic and social status better and one day finding a way to help them migrate abroad too. Some find employment abroad because they lack the skills for locally available jobs. Other reasons are unstable economic condition, high unemployment rate, low salary offered by local companies, contractual employment arrangement, poor benefits and job discrimination in job hiring.

The FMA graduates are professional employed as it earned the highest frequency of 30 and rank 46.20 percent. This shows that FMA graduates are not just in demand for employment but more so are professionally hired by the company.

Caplan (2012) once said that financial accounting is the principal source of information for decisions of how to allocate resources among companies; and management accounting is the principle source of information for decisions of how to allocate resources within a company. Management accounting provides information that helps managers control activities within the firm, and to decide what products to sell, where to sell them, how to source those products, and

which managers to entrust with the company's resources.

On the other hand, work as technicians and associates professionals have the lowest frequency of 1 (1.50 percent). This shows that FMA graduates have a very good potential to work with the degree they earned. Also, majority of them were into business and others (72.31 percent). Doing business is the primary undertaking they have right now. Whether they are employed or self-employed still they are doing in line to the degree they have. One of the respondent answered that he/she was connected to extra-territorial organizations and bodies.

Table 3 presents the reasons of the respondents' why there is a career mismatch in their profession. It was observed that they agree with a composite mean of 2.57.

Among the items enumerated, no interest of getting the job was the most observed reason which obtained the highest mean score of 3.26. FMA graduates perceived that having no interest in getting the job will definitely cause career mismatch. Some other factors that affects career mismatch were family situation prevents them from working (3.23), lack of self-confidence (2.92), universities discrimination (2.91) and lack of training and work experience (2.82).

Table 3. Reasons for FMA Career Mismatch

Indicators	WM	VI	Rank
1. No connection (backer) of getting the job	2.00	Disagree	19.5
2. No interest of getting the job	3.26	Agree	1
3. Family situation prevents me from working	3.23	Agree	2
4. Adequacy of knowledge and skills	2.29	Disagree	15.5
5. Pre-employment interviews	2.25	Disagree	17
6. No previous experience on the position applied for	2.40	Disagree	14
7. Lack of training and work experience	2.82	Agree	5
8. Lack of self-confidence	2.92	Agree	3
9. Communication skills	2.00	Disagree	19.5
10. Frequent turnover of employees	2.69	Agree	8
11. Strict regulations of the company	2.43	Disagree	13
12. Outsourcing of companies	2.57	Agree	11
13. Not good work environment	2.74	Agree	7
14. No benefits/ incentives	2.77	Agree	6
15. Universities discrimination	2.91	Agree	4
16. Proximity to residence	2.09	Disagree	18
17. Health Restrictions	2.60	Agree	10
18. Peer influence	2.63	Agree	9
19. Popularity of work	2.29	Disagree	15.5
20. Shifting Policy	2.54	Agree	12
Composite Mean	2.57	Agree	

Legend: 3.50 – 4.00 = Strongly Agree; 2.50 – 3.49 = Agree; 1.50 – 2.49 = Disagree; 1.00 – 1.49 = Strongly Disagree

According to an article in Erupting Mind, (2014) these perceived factors are caused by challenges faced by the graduates. In order for them to overcome such, a choice should be made and this affects the career they want to pursue that leads to career mismatch.

In the study of Scivicque 2010, younger professionals especially may be going through a journey of self-discovery, bouncing from job to job as a way of exploring their options. No matter how exciting and interesting the job appeared on day one, it eventually becomes just another job. Some people have creative personalities that struggle deeply with routine. They are more likely to feel antsy to the point of serious despair. However, instead of really analyzing what’s going on and creating a strategy for managing it, many people simply bounce on to the next job, hoping that something will change.

Other items were assessed positively and negatively and among the items which they disagreed were popularity of work, adequacy of knowledge and skills, pre-employment interviews, proximity to residence, communication skills and no connection (backer) of getting the job with 2.29, 2.25, 2.09 and 2.00 respectively. These factors do not contribute for having a career mismatch of the FMA graduates.

As seen from table 4, only gender shows significant difference on the respondents’ reasons for career mismatch. The obtained p-value of 0.045 is less than 0.05 level of significance, thus the null hypothesis of no significant difference on the reasons for career mismatch when grouped according to the respondents’ gender is rejected. This means that the perceived reasons of career mismatch varies as to female and male graduates.

Table 4. Difference of Responses on the Reasons for FMA Career Mismatch When Grouped According to the Profile of the Respondents

Profile Variables	F-value	p-value
Gender	4.189	0.045**
Civil Status	0.208	0.650
Presently Employed	0.549	0.462
Nature of Employment	0.271	0.764
Present Occupation	0.696	0.675
Place	0.329	0.721
First Job	0.275	0.761
Related	2.406	0.126
Length to Land on the First Job	0.275	0.893

Legend: **Significant at p-value < 0.05

Therefore the factors of career mismatch perceived by female differ from male. One of the reasons why there is a significant difference in this study is because there are more female who responded and that most of the graduates are female.

However, other variables do not show significant difference and indicate that whatever the respondents’ profile is, their perception about the factors affecting career do not differ. In the study of American Psychological Association, women and men aren’t as different as you might think: A review of dozens of studies found that men and women are basically alike when it comes to personality, thinking ability and leadership. The differences that do exist may reflect on social expectations. Despite this evidence, the media continue to spread the idea that the sexes are fundamentally different – with real life consequences.

Table 5. Proposed Plan Of Action

Key Result Areas	Programs/Activities	Persons Involved
1. Career Enhancement	<ul style="list-style-type: none"> Orientation and seminars on the course and on career path Career Updates Actual exposure to the work 	<ul style="list-style-type: none"> CBA Department FMA Professionals Internship Office
2. Knowledge and Skills Development	<ul style="list-style-type: none"> Update about the trends in global industries Assessment of job qualifications in terms of knowledge and skills Trainings and seminars that will enhance knowledge and skills. Attending workshops that are related to the field of specialization 	<ul style="list-style-type: none"> FMA Professionals Internship Office CBA Department CBA Department
3. Personal Development	<ul style="list-style-type: none"> Participating in personal development activities Joining recollections to uplift self esteem Attending professional development activities 	<ul style="list-style-type: none"> Student and Department Student Student and JCFAP

CONCLUSIONS AND RECOMMENDATIONS

Majority of the BSBA FMA graduates are female, single and gainfully employed and are currently working within the country. They land at their first job which is related to the course in a span of 1 to 3 months. The top perceived factors of BSBA FMA graduates on career mismatch was there is no interest of getting the job; family situation prevents them from working and lack of self-confidence. The perception of female regarding factors affecting career mismatch differs with the male graduates of BSBA FMA. A proposed plan of action was formulated to address the career mismatch of BSBA FMA graduates.

Male alumni may conduct seminars to testify to FMA students about their personal experiences in the working abroad that the students may be motivated more in pursuing the career locally and abroad. Students may attend trainings and personal development activities that will enhance their interests, skills and abilities in order to boost self-confidence and attain flexibility. The College of Business Administration may conduct seminar on job placement and equal opportunities of BSBA FMA graduates.

Several industries have shared generously their company resources to impart knowledge, skills and also work values to the on-the-job trainees (Laguador, 2013b). Therefore, the university may strengthen its internship program to enhance the appropriate skills needed by the industries from the graduates.

Persons involved may implement the proposed plan of action to prevent career mismatch. Future researchers may conduct another study that focuses on the answer of the respondents who have experienced career mismatch for a more accurate study.

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