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Five-Year Declining Performance of Private and Public Schools in the Philippine Certified Public Accountant Licensure Examination

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Abstract: There is a national trend on the declining percentage of school performance in the Certified Public Accountant (CPA) Licensure Examination in the Philippines. This report aims to present the result of this licensure exam in regional level between private and public schools. Quantitative descriptive type of research was utilized in the study using documentary analysis from the result of the Licensure Examination including almost 415 accountancy schools in the country with first takers. Results showed that large number of examinees did not contribute much to increase the record of passing percentage of a certain region but instead it pulls down the passing rate. Public schools in eight (8) regions of the country have significantly higher passing rate than private HEIs. Private HEIs had been consistent in terms of having higher percentage of institutions with zero percent performance rating among first takers. However, private universities produced more top performing examinees than other private colleges and public schools in the country. Findings of the study may provide insights to educational leaders in ensuring the quality on the delivery of instruction through maintaining qualified teachers with relevant knowledge and competencies necessary to prepare the accountancy graduates for licensure examination.

Keywords: *Private university, public school, higher education, state colleges and universities.*

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Introduction

Licensure Examination has been considered as one of the positive measures of the student outcomes and evidence of quality instruction from both private and public higher education institutions (HEIs). Comparison of institutional passing against the national passing rate served as the basis and source of data for the institutional level as measure of their performance. It has always been the target of most HEIs to obtain 100 percent institutional passing rate in any licensure exam. If not, even above national passing is enough for them to achieve as accomplishment. The quality of graduates produced by an institution is measured by their performance in board examinations (Ballado-Tan, 2014). Schools usually developed intervention and remediation practices to further increase the number of passers in a certain licensure examination (Fetalvero et al. 2018; Terano, 2018).

The competition between private and public HEIs in most countries like Russia and US is evident in terms of getting good number of students (Valerievich & Pavlovna, 2016; Verschoor, 2011). Meanwhile, De la Torre (2017) studied the productivity performance in Spain while Leveille (2013) in US investigated the accountability of both sectors in education. Furthermore, Do et al. (2020) studied the internal quality assurance between public and private HEIs in Vietnam which is considered an important factor in measuring the performance of the educational institution to produce quality graduates. Choosing what type of school that the students will pursue their college degree is considered important in a third world country like the Philippines.

According to the distribution of Philippine HEIs by sector between private and public during Academic Year 2018-2019 from the Commission on Higher Education (CHED), there are 672 (28%) State and Local Colleges and Universities including satellite campuses while 1,721 (72%) private HEIs out of the 2,393 total HEIs in the country. The number of HEIs in the Philippines is closer to the number of colleges and universities in China with 2,663 in 2018 (Textor, 2020).

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There are more privately owned HEIs in the Philippines the same with other neighboring countries like Malaysia with 20 public against the 467 private HEIs with a population of 32.5 million (Tapsir, 2019). In Indonesia during 2009, there were 2,975 institutions of higher education of which, 3 percent were public, while 97 percent were private (Hays, 2015). The new private institutions absorbed much of the educational demand to which the public sector, still under a centralized organization, was unable to respond immediately (Nicolescu, 2005). Unlike in Romania during Academic year 2011-2012, there are more public with 57 or 53 percent HEIs than private with 51 or 47 percent (Gogu et al., 2014) but the difference is very minimal. Welch (2007) noted that private higher education is very dynamic segment in response partly to the increasing mismatch between the demand and limited capacity of the state.

Studies on the sustainability and transformation of higher education considering the distinction between private and public HEIs has been part of the growing literature in various countries like United Kingdom (Tight, 2006), Spain (Casani et al., 2014), Republic of Korea (Lee, 2008); and China (He et al., 2020). Private HEIs over public in most countries are continuously increasing in number which mostly serving the majority of the population. Likewise, there is also a growing number of private HEIs in Europe (de la Torre, 2017). There are also many HEIs in the Philippines ready to serve the Filipino people. But the only question is the issue of affordability and somehow challenge of delivering quality against the availability of qualified teachers and adequacy of instructional materials and laboratories. Therefore, the performance between private and public schools in licensure examination is compared for analysis to determine which sector of education could able to produce more licensed professionals in the country. This study would like to confirm based on a previous studies of Bautista et al. (2019) in the Philippines for Nursing and Morgan and Ihrke (2013) in the US for Certified Public Accountant (CPA) that public schools are performing better than private.

Furthermore, exploring the regional performance between private and public HEIs in terms of the result of CPA Licensure Examination from 2015-2019 is the focus of the present study. This is to verify whether both sectors are performing well in the CPA licensure exam or a significant difference exists in the results of regional performance. There are studies conducted in relation to CPA licensure examination focusing on institutional performance (Ballado-Tan, 2014; Castillo, 2017; Lianza, 2016; Oliva et al. 2017; Pattaguan, 2018; Perez, 2015) but no study conducted yet for CPA Licensure Exam tested the difference per region.

According to Tan-Torres (2018) in his article from Business Mirror shows that there are 572 schools registered from CHED in the country offering accountancy program which comprised of 23.82 percent. Still, according to Tan-Torres (2018), per records of the Professional Regulation Commission (PRC) that there are 188,203 CPAs in the roster of the Board of Accountancy (BOA) in the Philippines. BOA is tasked to regulate the profession including the issuance of the syllabus for entry-level professional examinations (Uy, 2016).

Meanwhile, the practice of accountancy in the Philippines is covered under Philippine Accountancy Act of 2004 (Republic Act 9298). Historically, Valcarcel (2018) mentioned on her article from Business Mirror that the highest passing rate for CPA Licensure Exam was 61 percent (20/33) in 1942, followed by 55 percent (16/29) in 1943, and 50 percent of 24 passed in 1945. But these were the times when the examinees are less than 50. Meanwhile, when the examinees reached more than thousands, the highest ever recorded result was during the October 2010 examination with 48.36 percent from 3,973 out of 8,216 passed.

The lowest passing rate ever recorded in the history of CPA Licensure exam in the Philippines way back in 1954 with 6.48 percent (152/2,345). Almost after 40 years, the lowest passing rate based on the historical data is 17.12 percent in 1993 while after a decade, 19.57 percent (1,454 out of 7,428) was recorded during the October 2003 examination and 19.34 percent (1,075 out of 5,557) during May 2003. However, the May 2019 examination has 16.47 percent and the lowest ever recorded rating after 1954 to 2019 almost 65 years ago was the result of the September 2019 exam with 14.32 percent (2,075/14,492) which gives an alarming signal for the HEIs and the BOA on how to improve this result. Before it gets too late for the country to experience the scarcity of professional CPAs, it is right time to consider evaluating deeply the school performance. Like a study conducted in Texas, USA regarding the evaluation of its accounting program to improve the passing rates in CPA examination in order to meet CPA supply shortage in the region (Essayad & Ortiz, 2011).

This research provides regional performance in the CPA Licensure Exam which is not yet currently available in any studies or literature. Most of the available data from other researches discussed about the performance of certain institution compared to top performing HEIs as benchmark (Castillo, 2017), accreditation in relation to exam (Miller & Nouri, 2015) as well as the factors that contribute to the success of students in passing the exam (Fang-asan, 2016; Lee et al., 2010; Pattaguan, 2018). But there is no available study concerning the overall performance across all regions in the Philippines. This study provides insights on how the seventeen (17) regions of the country contribute in the national performance rating between private and public HEIs. This will serve as baseline information and reference to address the issues related to the declining performance in CPA Licensure Exam on their respective region.

Part of the objectives of this study is to determine the number of top performing examinees per region which serve as another measure of excellence for HEIs to have more number of examinees included in the top 10 list with the highest exam results. There are few studies conducted related to top performing examinees (Pattaguan, 2018; Pena et al., 2018)

but still there is limited research in the Philippines. This study gives an overview on how the institutions in the region have contributed in making top calibre CPAs in the country.

Based from the reviewed studies and literature, there is an identified gap on how private and public schools perform in CPA licensure examination where this might contribute to the existing body of knowledge in the field of educational management of accounting programs. The study also explored on the possibility if the results of previous studies in the difference between these two sectors of HEIs still hold true to the results of the present study from the context of a developing country. This can be utilized as reference for future comparison of other neighbouring countries in Asia and developed countries in Europe and America.

Methodology

Research Goal

This report aims to determine through comparative analysis the performance of each region in the Philippines in terms of licensure examination in CPA and test the difference between private and public schools for the last five years from 2015 to 2019. The study also aimed to present the number of top performing examinees in different regions and test the difference between private and public HEIs on the number of top performing examinees.

Research Design

Quantitative descriptive type of research using documentary analysis was utilised in the study which focuses on the collection and generalization of numerical data to explain certain phenomenon (Creswell, 2013). It explored on the available online result of the CPA Licensure Examination School Performance from the PRC. It is appropriate for this study to analyse the national trend of performance in the licensure examination that provides larger image of the declining performance.

Sample and Data Collection

The CPA Licensure Exam is being conducted twice a year during May and October of each year. The report utilized an average of 415 HEIs or 100% of the result of the CPA Licensure exam for first takers only. The result of the overall school performance in the Licensure Examination in the Philippines is disaggregated between first takers and repeaters. Only the results for the first takers were considered in the study because it gives the real performance of the specific batch of graduates. Table 1 shows the frequency distribution between private and public schools per region from three major islands of the Philippines with first takers on CPA Licensure Exam. This was taken from the list of May and October 2018 with the highest number of schools that took the examination during the period which served as the basis for the given data.

Table 1. Frequency Distribution of Private and Public Schools Per Region with First Taker on CPA Licensure Exam

Major Islands	Regions	Private(n=333)	Public(n=82)	Total (n=415)
Luzon	Ilocos Region	25	3	28
	Cagayan Valley	18	2	20
	Central Luzon	40	12	52
	Cordillera Adm Region	8	2	10
	CALABARZON	53	18	71
	MIMAROPA	5	1	6
	Bicol Region	15	5	20
	National Capital Region	62	17	79
Visayas	Western Visayas	20	3	23
	Central Visayas	21	2	23
	Eastern Visayas	11	4	15
Mindanao	Zamboanga Peninsula	7	4	11
	Northern Mindanao	14	3	17
	Davao Region	11	1	12
	Soccsksargen	14	2	16
	CARAGA	6	0	6
	ARMM	3	3	6

Note: Average number of School during May and October 2018 CPA Licensure Exam

The researcher established a database of all HEIs in the Philippines offering Bachelor of Science in Accountancy. Names of the HEIs were also taken from the result of the licensure exam. Each school was categorized whether public or private based from the available records and statistics of CHED for proper identification.

In terms of the points assigned for the top performing examinees each HEI, 10 points is given to the first placer, 9 points to second placer and 1 point to 10th placer. Each school was also assigned their respective regions and school

type as well as the category. Data were taken from the results released of the PRC from 2015 to 2019. For ethical consideration, no single name of HEI was mentioned in the report where only the names of the regions were emphasised.

Analysing of Data

Frequency count, average, percentage and ranking are the statistical tools used to describe the performance of each region in the CPA Licensure Examination while Spearman rho was used to test the significant relationship between the Performance Rank Percentage of Passers Vs Number of Examinees per Region. Chi-square test was utilised to compare the result of board topnotchers between private and public and between colleges/institutes and universities. Mann Whitney U test was used for majority of the regions in testing the difference in the board performance in terms of school type and category. The nature of the data set is not normal, therefore the study utilised non-parametric test.

Findings / Results

Table 2. CPA Licensure Examination Performance of First Takers per Region from 2015 to 2019

Region	Number of Passers (f)	Number of Examinees - First Taker(f)	Passing Percentage (%)	Performance Rank	Rank Based on Number of Examinees
Luzon					
Ilocos Region	880	3,529	24.94	13	5
Cagayan Valley	938	2,965	31.64	8	7
Central Luzon	2,080	8,988	23.14	16	3
Cordillera Adm Region	898	2,512	35.75	4	9
CALABARZON	2,006	9,249	21.69	17	2
MIMAROPA	235	846	27.78	10	17
Bicol Region	918	2,632	34.88	5	8
National Capital Region (NCR)	8,384	21,042	39.84	3	1
Visayas					
Western Visayas	748	3,041	24.60	14	6
Central Visayas	1,726	3,584	48.16	1	4
Eastern Visayas	607	2,477	24.51	15	10
Mindanao					
Zamboanga Peninsula	305	1,193	25.57	12	14
Northern Mindanao	648	2,177	29.77	9	12
Davao Region	976	2,315	42.16	2	11
Soccsksargen	469	1,388	33.79	7	13
CARAGA	238	913	26.07	11	16
ARMM	339	982	34.52	6	15
Total	22,395	69,833	32.07		

Note: Consolidated Result of CPA Licensure Exam between 2015 and 2019 from PRC

Table 2 shows the detail of the CPA Licensure Examination Performance of First Takers per Region from 2015 to 2019. The Philippines is divided into three major groups of island namely: Luzon, Visayas and Mindanao and the seventeen (17) regions are clustered geographically into these groups.

For the last five years, Central Visayas (48.16%) has the highest percentage of passers in the CPA Licensure Exam for the first takers followed by Davao Region (42.16%) and National Capital Region (39.84%) on the second and third ranks, respectively. Meanwhile Cordillera Administrative Region (35.75%) on the fourth place followed by Bicol Region (34.88%) on the fifth place while ARMM (34.52%) and Soccsksargen (33.79%) on the sixth and seventh places respectively which are considered among the regions with the above the mean score of passing rate of 32.07%.

When it comes to the number of passers, the National Capital Region is the highest producer of Certified Public Accountants in the country with 8,384 board passers from 2015 to 2019 followed by the Central Luzon (2,080) and CALABARZON (2,006). Although CALABARZON is the second region with the largest examinees in the country but it ranks 17th in the region with the least passing percentage. The number of examinees per region can be associated with the number of HEIs where CALABARZON has a total number of 338 HEIs which is considered with the most number of institutions in the country next to National Capital Region with 347 according to the distribution of HEIs by Region and

Sector during Academic Year 2018-19 from the Philippine Commission on Higher Education. Central Luzon has 238 HEIs in the region which is considered third with the most number of HEIs in the county.

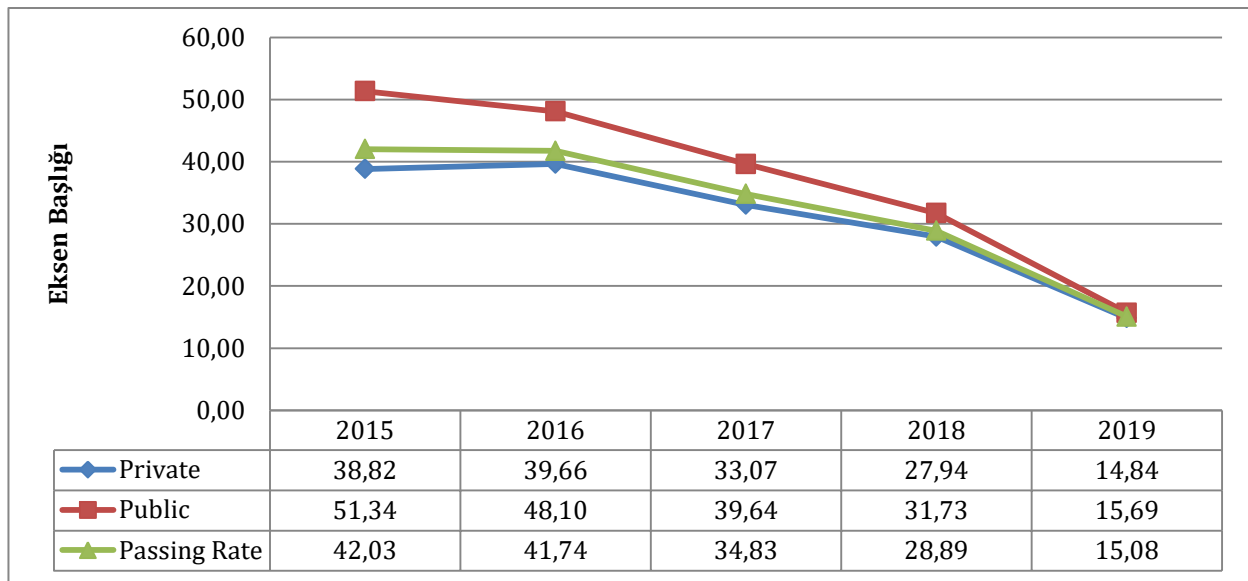


Figure 1. Trend Analysis on the Result of CPA Licensure Examination between Private and Public HEIs for First Timers from 2015 to 2019

As shown in Figure 1, there is a downward trend of CPA Licensure exam from the national passing rate of 42.03 percent during 2015 down to 15.08 percent in 2019. Based on the data gathered, the performance of Central Visayas is very consistent on top of the rest of the regions in the country followed by Davao Region and National Capital Region. But in spite of being top performers as regions, they are also following the consistent trend of decreasing percentage of passers year after year.

Table 3. Comparison on the Percentage of Performance for First Taker between Public and Private Schools

Regions	Private (%)	Public (%)	t-value	p-value
Luzon				
Ilocos Region	22.8	32.9	-3.941**	0.005
Cagayan Valley	28.0	66.3	-8.063**	0.000
Cordillera Adm Region	38.1	6.0	-2.714**	0.007
Central Luzon	20.8	29.9	-3.378**	0.001
CALABARZON	21.3	22.4	-1.758	0.080
MIMAROPA	26.6	31.3	-.053	0.958
Bicol Region	27.1	50.4	-4.613**	0.000
National Capital Region	39.3	41.0	-1.652	0.099
Visayas				
Western Visayas	23.7	28.3	-0.960	0.337
Central Visayas	47.2	56.2	-0.745	0.456
Eastern Visayas	18.1	42.5	-5.524**	0.000
Mindanao				
Zamboanga Peninsula	29.0	11.8	-0.532	0.594
Northern Mindanao	22.5	61.8	-4.847**	0.000
Davao Region	42.3	0.0	-2.358*	0.018
Soccsksargen	33.9	33.0	-0.194	0.846
CARAGA	26.2	0.0	-1.653	0.146
ARMM	15.9	47.2	-4.020**	0.000
Total	30.6	36.3	-7.475**	0.000

Note: **Significant at p -value<0.01; *Significant at p -value<0.05;

Table 3 presents the comparison on the performance for First Taker between Public and Private Schools. Result showed that public schools from majority of the regions have better performance in CPA Licensure exam compared to private schools except for CAR, CARAGA and Soccsksargen, Davao Region and Zamboanga Peninsula where Private Schools perform better than public. The overall performance of Public Schools in CPA Licensure exam for the last five years is 36.3 percent compared to 30.6 percent of private schools. Result of the test showed that there is a significant

difference on nine (9) regions between private and public schools. Public schools have significantly higher performance rating for first takers in CPA Licensure exams than private schools, these are: Ilocos Region, Cagayan Valley, Central Luzon, Bicol Region, Eastern Visayas, Northern Mindanao, Davao Region, Cordillera Administrative Region, and ARMM. However, eight (8) regions in the country do not vary significantly the performance between private and public schools which include CALABARZON, Western Visayas, Central Visayas, Zamboanga Peninsula, Soccsksargen, CARAGA, National Capital Region and MIMAROPA. This signifies that schools on these regions for the last five years both private and public could either perform better than other without consistent pattern of performance. Taken as the whole performance of all HEIs in the country, result showed that significant difference exists where private HEIs tend to perform lower in CPA Licensure Examination from 2015-2019 than public schools.

Table 4. Number of Private and Public HEIs with Zero Percentage Performance

Year	Total HEIs with First Takers	Private			Public		
		Number of HEI		% HEI with no passer	Number of HEI		% HEI with no passer
		With 0 %	>0%		with Zero %	>0%	
2015	353	110	167	39.7	24	52	31.58
2016	372	103	195	34.6	12	62	16.22
2017	406	137	188	42.2	24	57	29.63
2018	415	163	170	48.9	30	52	36.59
2019	406	197	127	60.8	37	46	44.58
Average	390	142	169	45.6	25	54	31.73

It can be noted from Table 4 the consistency of private HEIs in terms of having higher percentage of institutions with zero percent among first takers for the last five years. The number of private HEIs with zero performance was divided to the total number of private HEIs for a particular year to get the percentage. The average of 45.6 percent implies that there are 4 to 5 in every ten (10) private HEIs for the last five (5) years with no passer for the first takers against 31.73 percent or three (3) in every ten(10) of the public schools. The number of HEIs with greater than zero or 1 percent and above is still higher than those with no passer at all from 2015 to 2018 but in 2019, only 127 private HEIs have recorded with passers against the 197 or 60.8 percent with the highest percentage of zero percent performance for the last five (5) years.

Table 5. Comparison of Regions in terms of Earned Points from the Number of Top Performing Examinees and Schools

Regions	Earned Points	Rank	Number of Top Performing Examinees	Number of Schools
Luzon				
Ilocos Region	14	8	3	2
Cagayan Valley	13	9	2	2
Cordillera Adm Region	16	7	3	2
Central Luzon	60	3	14	4
CALABARZON	41	5	9	8
MIMAROPA	0	15.5	0	0
Bicol Region	2	13	2	2
NCR	374	1	79	18
Visayas				
Western Visayas	8	11	2	2
Central Visayas	211	2	47	7
Eastern Visayas	39	6	7	4
Mindanao				
Zamboanga Peninsula	0	15.5	0	0
Northern Mindanao	10	10	3	2
Davao Region	48	4	9	4
Soccsksargen	0	15.5	0	0
CARAGA	0	15.5	0	0
ARMM	3	12	1	1
Total			181	58

The PRC releases top performing examinees every period of examination with the ten highest individual scores. This served as a form of recognition to the examinees who excelled during the examination. It also adds prestige to the institution where they belong. Breaking down into regions the points and the number of schools and top performing examinees in Table 5 reveals that there are a total of 181 top performing examinees from 58 Philippine HEIs. Majority

of them came from the National Capital Region (79) followed by Cental Visayas (47) and Central Luzon (14) as top 3 producing regions of top performing examinees in CPA Licensure Examination for the last five(5) years. When it comes to the diversity of schools with top performing examinees in the Philippines, still NCR (18) has the most number of schools followed by the CALABARZON (8) and Central Visayas (7). However, no recorded top performing examinees for 2015 to 2019 from Zamboanga Peninsula, Soccsksargen, CARAGA and MIMAROPA.

Table 6. Comparison on the number of Top Performing Examinees

	Private (%)	Public (%)	Total	%	Chi-square	p-value
College	24(13.3%)	1(0.55%)	25	13.8	4.374*	0.036
University	122 (67.4%)	34 (18.8%)	156	86.2		
Total (%)	146 (80.7%)	35 (19.3%)	181			

*Significant at $p\text{-value} < 0.05$

Table 6 presents the comparison on the number of Top performing examinees. Majority or 67.4 percent of the schools with Top Performing Examinees for the last five(5) years came from Private Universities (122) against Public Universities (34). Likewise, 24 or 13.3 percent came from private colleges/institutes and 1 or 0.55 percent came from the public college/institute. Private universities have significantly higher number of top performing examinees than private colleges and public schools ($p\text{-value} < 0.05$).

Discussion

The study focuses on the CPA Licensure Examination performance of regional level between private and public schools to strengthen the capacity of HEIs in the Philippines to collaborate in developing strategies on how their respective accountancy programs can be enhanced and stayed relevant in the demands of the examination as well as to address the needs of the growing business industry as response to the economic growth of the country.

The National Capital Region (NCR) is expected to have the most number of examinees because four (4) of the best universities in the Philippines are situated in the NCR and best students of the country are aspiring to be part of these premier HEIs. However, CALABARZON and Central Luzon regions both obtained low performance ratings where geographically speaking, these are the closest regions to NCR. This scenario can be further investigated if geographical location contributes to the performance rating of the three regions. It also gives an idea that the bigger number of these institutions in the CALABARZON and Central Luzon did not provide much contribution to increase the record of passing percentage but instead, it pulls down the passing rate of the regions unlike the case of NCR.

Central Visayas obtained the highest performance rating in the CPA Licensure examination for the last five years which also confirms the study conducted by Bautista et al. (2019) which also showed that Visayas in general had the largest proportion of high performing HEIs in the Nurse Licensure Exam (NLE) from 2010 to 2016. But in spite of these top performing regions in the country, there is still a decreasing trend of national passing percentage in CPA Licensure Examination, where institutions across the regions are having hard time to predict their institutional performance positively from the previous rating. Study of Bautista et al. (2019) also showed a downward trend in national performance of NLE. This is also true with the study conducted by Castillo (2017) revealed that the performance of the accountancy school of one state university in the CPA licensure examination from 2012 to 2016 was also constantly declining in the past five years.

The problem on the declining trend of CPA Licensure examination can be attributed to the perspective of most people in the field of accounting as one of the most difficult or challenging government licensure examination in terms of depth and coverage according to some studies (Dimaculangan & Tun, 2016; Fang-asan, 2016; Oliva et al., 2017; Perez, 2015). This observation is relatively due to low passing rates in local and national levels (Herrero, 2015). The difficulty of CPA Licensure Exam could also be attributed to its content according to study (Perez, 2015). Studies of other licensure exams for certain universities showed declining trend on performance due to some reasons related to personal issues such as lack of preparation of the graduates who took the examination (Walfish, 2001) and without enrolling in a review class due to financial reason (Mohammed & Mohammed, 2017).

Moreover, lack of efforts of the teachers in low-paying Philippine HEIs to teach accounting also mentioned by Walfish(2001) is one of the reasons for the quality of accounting students. Small private schools offer low salaries for teachers compared to public schools (Antiojo, 2018). Santiago and Roxas (2015) stated that there is always a business side to consider in running a school most especially private where incentivising quality teachers faces many challenges. On the other hand, according to the study conducted by Ferrer (2017) that "Over the last decade, the salary of public school teachers has increased several times through the implementation of new salary standardisation laws" (p.229). Passing rates of small HEIs were lower compared to medium and large HEIs according to Bautista et al. (2019) where

most of the small HEIs belong to private schools because they have the most number of HEIs with one (1) to less than ten (10) examinees in the licensure exam.

In terms of the performance between private and public against the national passing rate, the public HEIs performed better than private and higher than national passing rate. The result also revealed that public schools from majority of the regions in the Philippines have better performance in CPA Licensure exam compared to private schools but significantly differ when taken as a whole. The result of the study of Bautista et al. (2019) also revealed that Public HEIs tend to have higher passing rates in Nurse Licensure Examination from 2010 to 2016 compared to private HEIs. It also confirmed the result of one study conducted in the USA comparing these two sectors in terms of CPA Licensure exam which revealed that public institutions scored higher than private (Morgan & Ihrke, 2013). Likewise, study of Danner (2019) from different specialization in terms of Kaplan Integrated Exam in Pharmacology, Management of Care Medical and Surgical in the US also revealed the same result where students from public schools obtained higher passing rates.

However, according to the findings of the study conducted by Virola et al. (2010) that the Philippine private schools obtained the highest passing percentage than public schools including accountancy in the 2006-2007 licensure examinations. In contrary to these findings, the study conducted by Faltado III (2014) found out that type of school between public and private is not a factor for passing the licensure exam in teacher education. Findings of these studies suggest that the school performance in licensure examination between private and public HEIs might vary depending on the period of examination and field of specialization because there are limited studies conducted to confirm the generalization of the present finding.

In terms of the declining trend of the school performance in licensure examination can be influenced by the many several factors. There has been some thoughts about this decline on the quality of instruction being provided by the HEIs or might be the quality of students being admitted in the program due to lack of strict implementation of retention policies or absence of retention policy. It can also be attributed first to the nature and difficulty of the board exam questions, second is the school related factors and third might be the personal issues and challenges being experienced by the examinees. These are some common issues that still need to be clarified by future investigation either in regional or national level.

Several studies considered the strict implementation of retention policy as important aspect of maintaining the quality of students in the accountancy program (Ballado-Tan, 2014; Del Mundo & Refozar, 2013; Dimaculangan & Tun, 2016; Herrero, 2015; Lianza, 2016; Perez, 2015; Rufino, 2015). But the question of qualification of faculty members teaching the accountancy programs in the country can be reflected to the issue of competency and capacity of most HEIs offering accountancy programs. Strengthening faculty selection process to improve the qualification of faculty roster is vital in maintaining a culture of excellence and ensuring the development of core competencies among students. Salundaguit (2018) noted that teachers need to be certified and qualified to teach professional courses for better student outcomes. They have higher responsibility in ensuring the effective delivery of educational activities towards better student performance (Kadioglu-Ates & Kadioglu, 2018).

In order to achieve quality education in the country, one of the areas that needs direct attention by the management of private and public HEIs is the competency of the teachers (Baes, 2019). It is a common trust that teachers play a vital role in the holistic development of the students through delivery of quality instruction (Jalagat Jr., 2016) and relevant knowledge for licensure examination and skills for future employment.

The level of difficulty of the CPA Licensure exam is described by most authors in terms of low performance ratings obtained by the examinees. Perez (2015) stated that Practical Accounting 2, Practical Accounting 1 and Auditing theory are considered difficult among the examinees while Lianza (2016) found out that the examinees were weak on Auditing Theory (AT); and Business Law and Taxation (BLT). On the other hand, a simulated model of Tamayo et al. (2014) revealed that the scores of management and services, auditing problems, audit theory, business law and taxation and accounting problems have strong board outcome effects while theory of accounts and accounting problems showed no statistical significance. Meanwhile, accounting chairpersons in the US believed that the business law curricula can successfully prepare the undergraduate students to pass the CPA examination and practice careers in public and non-public accounting (Kocakulah et al., 2008).

There is also high proportion of tertiary students in the Philippines attending private HEIs because of the limited space in government owned or public institutions according to James in 1991. This condition still holds true today in the year 2020 and the population of students in private schools is still growing. This is due to the budget cuts of the national government to the allocated funds of the State Universities and Colleges (SUCs). Because of this, SUCs tend to limit the number of enrollees to all their programs and accept only those who really performed higher in the entrance examination while the majority of those students who did not make it, may opt to enroll in private schools. This scenario in the Philippines is different from the case of Turkey where there is a rapid decreased of investments in public education due to privatization of educational institutions (Bayram, 2018) but it is not yet happening in the Philippines. Further investigation must be conducted in terms of the quality of students enrolled in Accountancy programs between private and public schools together with the other factors that may influence the low performance of most private HEIs in CPA Licensure exam.

The number one affected stakeholders on this scenario are those who failed in the examination. There might be some limitations on how they will be given responsibilities to perform in accounting as an after effect of the exam because they failed in the licensure examination. They might be competent and technically skilled but there might be other factors as well that contribute to their failure in the examination. But despite of this known fact regarding the result of licensure examination, enrolment of Baccalaureate degree in Accountancy program still continues to grow its popularity among students. In fact, accountancy topped the list of programs in one study conducted by Hilado (2015) regarding the most preferred degree programs of fourth year high school students in the Philippines. Unlike in Japan that the career in CPA is not that popular among students (Sugahara & Boland, 2006) while accountant is considered typical boring stereotype as viewed by high schools students in New Zealand (Malthus & Fowler, 2009) and Malaysia is struggling to attract students who will pursue professional qualification as accountant (Aziz et al., 2017). Another study found out that those Asian students other than Chinese studying in Australia are more likely to major in accounting than domestic Australian students (Sugahara et al., 2008).

Students in the Philippines provide high emphasis in taking Accountancy major in college compared to other countries. On the study of Bajeta et al. (2015) noted that the performance of the students varies depending on their behaviour either from private or public school, when exposing them to different training related to their field of specialisation and understanding the nature of their professional environment helped the students passed the licensure examination. Likewise, study of Kali Soyer and Kirikkanat (2019) mentioned that students are facing a lot of struggles and difficulties from complex structure of learning and teaching level. Therefore, educational institutions consider various elements of success and career development for the students to achieve their full potential. Walfish (2001) emphasised that most Philippine HEIs accept large number of enrollees but failed to provide high quality education to all students. Likewise, Mohammed and Mohammed (2017) also mentioned that poor performance in the licensure exam of the HEIs may be attributed to the huge number of graduates.

Furthermore, in terms of the comparison on the number of Top Performing examinees based on the result of chi-square test reveals that majority of the top performing examinees came from the private universities which produced significantly higher number of top performing examinees in CPA Licensure exams for the last five years compared to private colleges, and public colleges and universities. It is good to note that even private HEIs in some regions are performing significantly lower than public, majority of the top performing examinees came from private HEIs mostly from universities than colleges/institutes.

This result can be attributed to the practices of most private universities that offer good number of scholarship programs to the deserving students and they could able to take good care of these students from their first year of enrolment up to their graduation and even during the time of review. Other reasons on this result can still be investigated regarding the rationale behind these top performing examinees specifically for CPA Licensure Examinations which can be done to other board programs.

Conclusion

Findings of the study revealed that Central Visayas and Davao Region together with the National Capital Region are considered the top three regions in the Philippines with the highest passing percentage among the first takers for the CPA Licensure Examination from 2015 to 2019 while CALABARZON obtained the least passing percentage. The highest producers of CPAs in the Philippines belong to schools from the National Capital Region and CALABARZON in terms of numbers. Result also showed that the number of examinees is not directly correlated with the passing percentage of each region which signifies that regions with the highest number of examinees are not the only ones producing highest percentage of passers.

There is a decreasing trend both private and public HEIs on the national passing percentage of the CPA Licensure examination for the last five years. Only three (3) in every ten (10) schools in the country are having institutional passing rate higher than the national passing percentage and majority or almost 70 percent of them obtained below the national passing rate. Results of their institutional passing rate may be above the national passing percentage but the performance from the previous year is continuously declining along with the national passing rate.

It is also noted that there are eight (8) regions of the country tested individually where result of CPA Licensure exam from Public schools is significantly higher than the private schools while nine (9) of them do not differ the performance significantly. Result also showed that private universities produced more top performing examinees than any other private colleges and public schools.

Suggestions

Understanding more of this problem on the declining performance of the accountancy schools in relation to institutions' practices and delivery of instruction as well as the curriculum will still subject for further study.

The findings served as reminder for Philippine private schools to revisit the profile of their faculty members if they still possess the right competencies and relevant knowledge necessary for the students to pass the licensure exam. The

quality of graduates academically, physically, emotionally and spiritually might also be some factors to consider in their preparation for examination.

The result of this report might also be useful as reference in the formulation of policy for educational leaders and CHED on how to improve the quality of HEIs in the country and for PRC to increase the number and percentage of passers in the CPA licensure examination on the next five years.

There are very limited published studies related to CPA licensure examination. Educational leaders and research directors may consider this topic as part of the priority areas of HEIs with accountancy program to explore on how they can still improve the delivery of quality instruction. They can also look into other possible factors that might influence the performance of their accounting graduates in the licensure examination. Publishing the findings of their studies is highly encouraged that will serve as good reference for other HEIs to adopt their best practices.

Findings of this study may also serve as basis in the strategic planning of regional chapters and councils of deans for accountancy and business. The result may be utilised by the Council of Deans and Educators of Business in Region IV (CODEB4) to provide effective interventions to improve the performance of schools in CALABARZON. The result might also be useful for the Philippine Council of Deans and Educators of Business (PCDEB) and National Association of CPAs in Education (nACPAE) as part of their strategic plan in increasing the number of passers and national passing percentage which can be supported by the student outcomes among HEIs offering the accountancy programs.

In-depth analysis on the specific report dealing with the status of each HEI in the region is suggested for the formulation of action plan and intervention. Most especially to those schools with consistent zero performance for four (4) or more consecutive periods among first takers can also be evaluated the program offering with constant monitoring of the Accountancy program and those with below national passing rate institutional performance.

There is an issue in the growing number of private HEIs in the Philippines where CHED may be more careful and strict on giving permission and authority to private entities in opening the schools and programs. This is to limit the sprouting of schools offering degree programs which are not serving the real objective of delivering quality education to the Filipino youth. Strict monitoring of the school performance in licensure exam as well as employment rating is still recommended. Findings of this study may also serve as springboard to more research studies from public and private schools in institutional and regional level to establish interventions, curriculum enhancement and other school practices related to licensure examination.

Limitations

This study is only limited between private and public sector as profile variable for comparison. Therefore, the result of performance for private institutions can still be separated between non-stock/non-profit and for profit HEIs because of the differences on their vision, mission, goals and objectives (de la Torre et al., 2017). For public schools, performance can also be separated between local funded and state funded HEIs. Future research may also investigate in national level the difference in the performance of universities, colleges and institutes.

Since this study does not cover technical analysis on the relevance of the curriculum of accountancy as well as the subjects involved in the examination, it could be a good research topic to explore on how the BOA formulated the questions might also be considered in future studies.

The result of this report might have some discrepancies from the results of other studies or data made available online. Due to large samples of the study and the manual database used for this report, some minor differences might be encountered.

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