

**PERFORMANCE IN THE LICENSURE EXAMINATION FOR CERTIFIED PUBLIC
ACCOUNTANTS AS BASIS FOR CONTINUOUS QUALITY IMPROVEMENT**

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ABSTRACT

This study aimed to assess the performance of graduates in the licensure examination for Certified Public Accountants from 2015-2018 for the purpose of assessing the relevance and effectiveness of the Accountancy Program. The study made use of the descriptive research design. The performance of graduates in the licensure examination was generated from the data released by the Professional Regulation Commission (PRC). It included the ratings of the graduates in each subject area cluster and the institutional performance. Data were analyzed using descriptive statistics. Results showed that for the past three years, the University has posted a passing percentage much higher than the national passing percentage. Moreover, the performance rating of the graduates in the different subject area clusters revealed that they performed well in Subject 1 (Theory of Accounts) and Subject 3 (Management Advisory Services). The graduates obtained the highest mean rating in these two subject areas; however, they obtained the lowest mean rating on Subject 5 (Auditing Problems). The performance of graduates in the licensure examination reflects the quality of the Accountancy program.

Keywords: CPA Licensure Examination, *licensure examination performance, Institutional passing percentage, Accountancy program, Accountancy graduates*

INTRODUCTION

Institutions of higher education are continuously challenged to provide quality education to their students due to global competitiveness. HEIs are expected to educate students in their chosen discipline and to prepare them for employment or practice of profession (Castillo, 2014). According to CHED, quality education today is measured not only by effectiveness, efficiency and sustainability but also by relevance. Relevance in education means addressing the needs of the students and the employers of today by providing the future graduates a curriculum of global comparability. HEIs have to produce graduates with relevant competencies that respond to the global challenges and development needs. For this reason, educational institutions nowadays continuously find ways to ensure quality of academic programs as well as the institution.

As a way of ensuring quality, HEIs employ various mechanisms to evaluate their educational quality. Greater attention was given to the outcome indicators such as employability of graduates, employer satisfaction and the results of licensure examinations. It is believed that the results of licensure examination coupled with other measurements provide a broad view of the outcomes. It is also used to measure the relevance and the effectiveness of a curriculum or academic program (Stewart et. al., 2004).

To ensure that academic programs are maintained at the highest possible level of quality and meet the need of the globalization, the University of Saint Louis continuously evaluates its curricular programs through program reviews using various outcome indicators like the results of licensure examinations.

Through the years, USL has created a niche in the academic community for its sterling performance in licensure examinations. It has been awarded by the Professional Regulation Commission (PRC) as top performing school in three of its academic programs including Accountancy (five times). It also produced national topnochers. However, despite the achievements received by the institution, it aims to continuously improve in all aspects of education. It is for this reason that the study was conducted to further improve the Accountancy program or curriculum and eventually the performance of graduates in the licensure examinations.

Research Objective

This study aimed to assess the performance of graduates in the Licensure Examination for Certified Public Accountants from 2015 to 2018 for the purpose of curriculum/program enhancement. Specifically, it aimed to assess the following:

1. Performance of graduates in the licensure examination for the past three years from 2015-2018.
2. Performance of graduates in each subject area cluster in the licensure examination.

Significance of the Study

This study attempts to provide information about the status of the program and the needs of the students in order to pass the licensure examination. The results of the study serve as a mechanism for continuous quality improvement of the academic program. Moreover, the results of the study can provide information about program strengths and weaknesses, and serve as a guide to properly address the weaknesses of the graduates in the board examination.

Conceptual Framework

The conceptual framework for this study posits that student outcomes are a manifest of the quality of education (Killen, 2000; Bragg, 1994) offered by higher learning institutions. Moreover, the presence of effective continuous improvement practices like evaluation of the performance of graduates in licensure examinations provides the basis for further improvements in curriculum and instruction as well as educational and organizational policies and practices.

METHODS

The study made use of the descriptive research design to assess the performance of the graduates in the licensure examination for certified public accountants from 2015-2018. The performance of graduates in the licensure examination was generated from the data released by the Professional Regulation Commission (PRC). It included the overall performance rating of the graduates in the licensure

examination and their ratings in each subject area cluster. Descriptive statistics was used to describe the performance of the graduates in the licensure examination and to identify the areas where the graduates performed well and areas that need to be strengthened.

RESULTS AND DISCUSSION

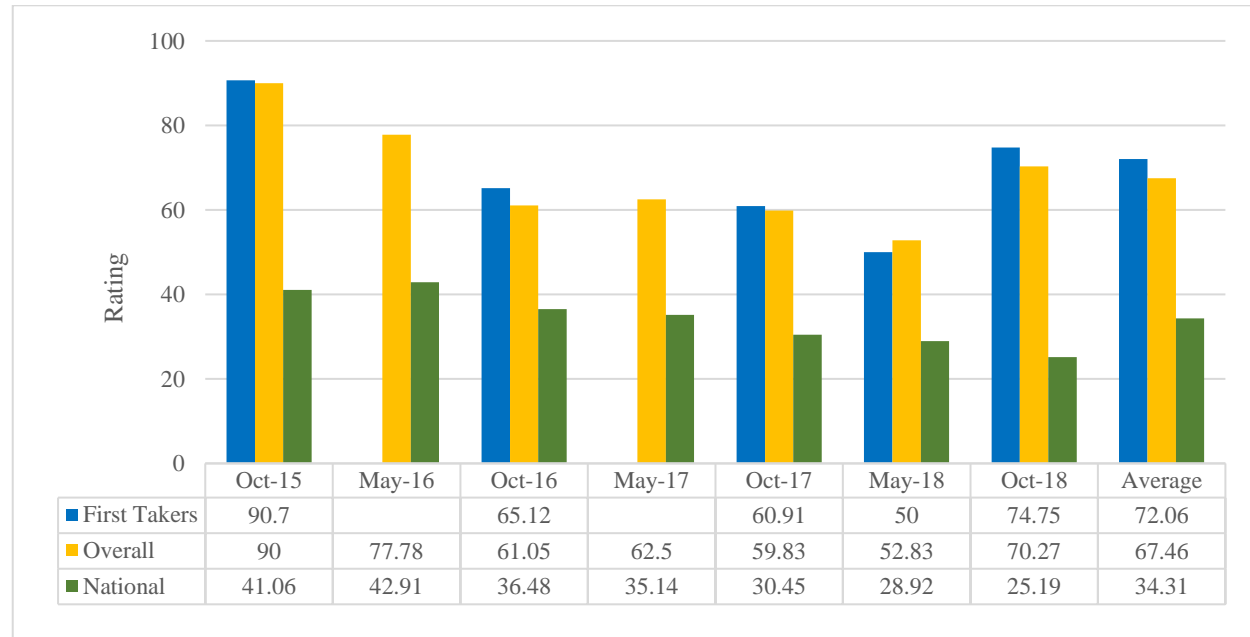


Figure 1. Performance in the CPA Licensure Examination from 2015-2018

The graph shows that the University has posted a passing percentage much higher than the average national passing percentage for the past three (3) school years. The computation was done by adding the number of passers in the past three (3) years (seven licensure exams) divided by the total number of takers. The highest percentage rating within the 3-year period was in October 2015 which places USL as Top 5 performing school nationwide with one graduate emerged as Top 6. This result is indicative of the quality of the Accountancy program provided by the University. This is affirmed by the Professional Regulation Commission CHED (2004) that the quality of academic programs is often based on licensure examination passing rates of its students. Moreover, the institution's performance in the licensure examination is a reflection of its commitment of providing quality education to its students (Laguador & Dizon, 2013 cited by Oliva, Aclan, Quimio, Salayo, Rodriguez & Manongsong, 2017).

The table that follows presents the performance of graduates in the licensure examination per subject area.

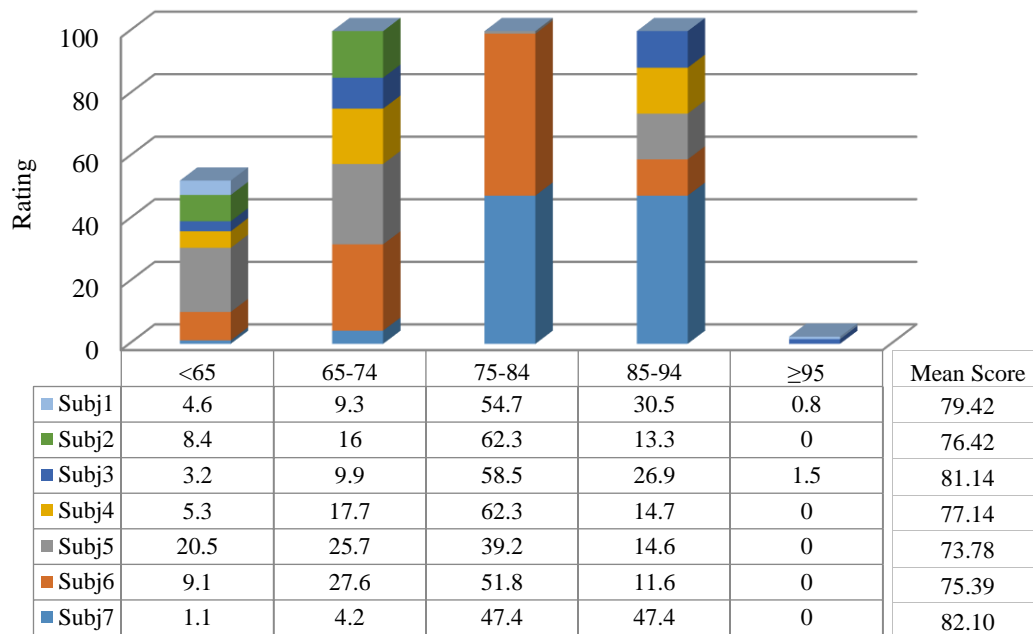


Figure 2. Performance in the Licensure Examination per Subject Area

The figure shows the performance rating of graduates per subject area cluster. As disclosed in the graph, the mean performance rating of graduates in the different subject area clusters is higher than the passing percentage of 65%. This result suggests that the graduates were equipped with fundamental knowledge and skills in the different subject areas required in the licensure examination. The graduates obtained the highest rating in Subject 7 (Practical Accounting 2) and Subject 3 (Management Advisory Services) while the lowest rating was on Subject 5 (Auditing Problems). Most of the graduates have ratings of at least 75% in the different subject areas.

In October 2016, the number of subject areas included in the licensure examination was reduced to six (6). Subject area 7 was integrated in the other subject areas. The mean rating of the graduates in the licensure examination per subject area from October 2016 to October 2018 shows that they are strong in Subject 1 (Theory of Accounts) and weak in Subject 5 (Auditing Problems); hence, this should be given greater attention. Similar result was revealed in the study of Oliva, Aclan, Quimio, Salayo, Rodriguez & Manongsong (2017).

CONCLUSION

Performance in licensure examinations is a valid measure of student learning outcomes. It also mirrors the relevance and effectiveness of a curriculum or academic program. The institutional performance in the licensure examination for Certified Public Accountants was consistently higher than the national passing percentage, which is a reflection of a relevant academic program. Subject 1 (Theory of Accounts) and Subject 3 (Management Advisory Services) garnered the highest mean rating.

RECOMMENDATION

Based on the findings of the study, it is recommended that the curriculum be further reviewed in response to the demands of globalization. Greater attention should be given to subject areas where students got low rating to further improve the performance of the graduates.

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