

BS in Accountancy Program's Proposed Intervention Measures for the Five-Year Development Plan of a Local College

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Abstract

Some government licensure examinations in the Philippines are notoriously difficult. Among these is the CPA Licensure Examinations. The documentary analysis of research has been employed to assess the BS in Accountancy program of a local college in terms of compliance with the recent applicable CHED Memorandum. Also, the first batch of the senior BS in Accountancy students of a local college has been disseminated with an unstructured questionnaire. The best practices among accountancy schools in the Philippines and abroad were considered for the program's proposed intervention measures, which are pertinent for enhancing the medium-term Institutional Development Plan. The SWOT analysis and the balanced scorecard are the by-products of this study. The college and BSA program administrators may consider the findings and recommendations in this paper to verify if such may help further the institution's quality of accountancy education. The performance of the college in the CPA examinations shall be the yardstick for its effectiveness, and the same may be analyzed in future research to determine the factors that drive the result thereof.

Keywords: *CPA Licensure Examinations, BS in Accountancy, CHED Memorandum, intervention measures, institutional development plan, SWOT analysis, balanced scorecard*

Introduction

Some government licensure examinations in the Philippines are notoriously difficult. Among these is the CPA Licensure Examinations (The Manila Times, 2022). The same assessment is true about the Uniform CPA Examinations in the United States, with national CPA Exam pass rates soaring around 50%, the Uniform CPA Examination is one of the most difficult professional state exams. The said CPA Exams consist of four different parts (Surgent CPA Review, 2022). The data in the tables shown next, respectively show the pass rates of the CPA exams in the Philippines and in the United States of America.

Table 1
Philippine CPA Examinations' National Passing Percentage, 2013-2017
 (Professional Regulation Commission)

Year of Examinations	Number of Exam Takers	Number of Exam Passers	Passing Rate (%)
2013	15,984	5,766	36.07
2014	16,624	5,223	31.42
2015	19,257	7,596	39.45
2016	21,223	8,185	38.57
2017	24,441	7,000	32.32

The CPA examinations in the Philippines is usually being given twice each year – May and October. Recently, the national passing percentages of the CPA exams have relatively declined tremendously.

Table 2
Pass Rates Uniform CPA Examinations - Calendar year 2022

Section	Quarter 1	Cumulative
AUD (Auditing and Attestation)	46.35%	46.35%
BEC (Business Environment and Concepts)	57.33%	57.33%
FAR (Financial Accounting and Reporting)	44.95%	44.95%
REG (Regulation)	60.03%	60.03%

Table 2 depicts the recently public result of the Uniform CPA Examinations (in four subjects). While testing is conducted throughout the year, AICPA publish candidate pass rates for each section on a quarterly basis. To wit, in the United States of America, the CPA license is the only license for accounting professionals and is issued by state boards of accountancy in the 55 jurisdictions; there is not a national CPA license (NASBA, 2022).

To continue the case of the CPA Examinations in the Philippines, the Professional Regulatory Board of Accountancy administers six CPA examination subjects:

Table 3
Subjects - Licensure Examination for Certified Public Accountants

Subjects	Exam Hours
Management Advisory Services	3
Auditing	3
Taxation	3
Regulatory Framework for Business Transactions	3
Financial Accounting and Reporting	3
Advanced Financial Accounting and Reporting	3

The Professional Regulation Commission of the Republic of the Philippines, together with the Professional Regulatory Board of Accountancy (PRBOA), issued PRBOA Resolution # 262, Series of 2015, entitled "Reduced the number of the Board Licensure Examination for Certified Public Accountant (BLECPA) subjects that are incorporated in the scope of the Certified Public Accountant Licensure Examinations from seven to six which effective on March 9, 2016.

The proponents of this study are the incumbent department chair of the BS in Accountancy academic program of a local college in Angeles City, Pampanga, Philippines – the City College of Angeles (CCA). Thus, for the furtherance of the BS in Accountancy academic program of the said local college - this paper aims to:

1. Assess the local college's current BS in Accountancy (BSA) academic program in terms of compliance with the recent applicable CHED Memorandum.
2. Collect data/benchmark the best practices among accountancy schools in the Philippines and abroad for integration into the proposed intervention measures for the BSA program of CCA - so that the local college can better prepare the students who shall hurdle the Philippine CPA Examinations in the future.
3. As one of the inputs for CCA's Five-year Institutional Development Plan [which is currently being updated—the said plan mentioned BS in Accountancy program as a proposal for additional course offering] – this study [in addition to the proposed intervention measures] intends to prepare the following:
 4. CCA-BSA program's SWOT Analysis; and
 5. Balanced Scorecard (Kaplan & Norton, 1992), respectively.

This paper does not aim to make recommendations for the entire Five-year Institutional Development Plan of the local college. Its focus are the proposed intervention measures for the BSA program of CCA, including the pertinent SWOT Analysis and the appropriate Balanced Scorecard performance measurement tool. In a nutshell – only inputs [specific for the BSA academic program of CCA which are relevant to the entire Five-year Institutional Development Plan], have been undertaken.

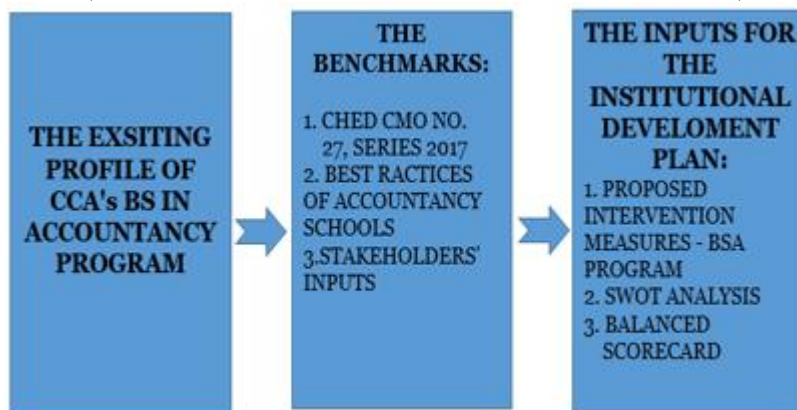
Method

Documentary analysis has been employed in this study. The development of the documentary method is thoroughly connected with the Division of Qualitative Research on Human Development. This methodology was first recognized in the 1920s by Karl Mannheim and then taken up again in the 1960s through ethnomethodology, especially by Harold Garfinkel. In a nutshell - documentary analysis (or document analysis) is a type of qualitative research in which documents are reviewed by the researcher.

The Research Paradigm

Figure 1

*The Research Paradigm - Input-Process-Output Model
(Steiner, 1972; McGrath, 1984; & Hackman, 1987)*



The research framework depicts the phases of the research process. The first step is to present what the BSA program of the local college currently have – in terms of curriculum, faculty profile, and library holdings, among others. The second step is to collect a reasonable number of best practices among educational institutions [local and foreign] that offer Accountancy program. The recent Revised Policies, Standards and Guidelines for Bachelor of Science in Accountancy by CHED shall also be used as benchmark. Inputs from the stakeholders of the BSA program of CCA shall be given equal importance, as well. Finally, based from the data collected – intervention measures shall be developed, plus SWOT Analysis and the related Balanced Scorecard...which are all pertinent to the enhancement of the City College of Angeles' Five-year Institutional Development Plan.

Participants

The primary stakeholders [the academic program administrators and CCA's first batch of fourth-year/senior BSA students] in the BS in Accountancy program of the local college have been engaged in this research. This methodology is in consonance with the Stakeholder Theory (Freeman, 1984). Stakeholder Theory is a view of capitalism that stresses the interconnected relationships between a business and its customers, suppliers, employees, investors, communities, and others who have a stake in the organization. The theory argues that a firm should create value for all stakeholders, not just shareholders. Accordingly, personal communication with the local college's BS in Accountancy academic program administrators and observation of the controls/systems in place have been conducted.

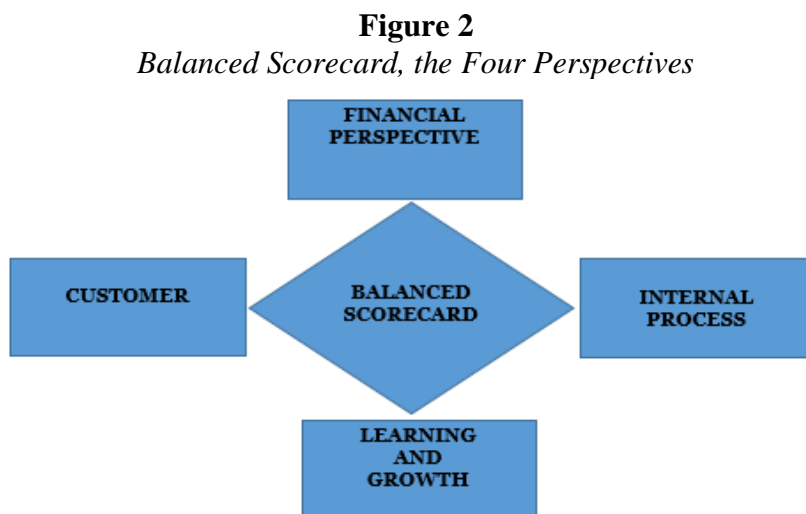
Research Instrument

In addition to documentary analysis, to obtain data for the SWOT analysis and for the balanced scorecard – the researcher utilized unstructured interview question. The first batch of twelve BSA students of the local college were asked open-ended questions. The said questions were distributed among them by their CPA instructor in one of the major courses that they took during the first

semester of the academic year 2021-2022. The next section presents the unstructured interview questions distributed to the student respondents.

Data Analysis

The analytical tools used in this paper are SWOT analysis and the Balanced Scorecard (Figure 2). SWOT Analysis (Strengths, Weaknesses, Opportunities, and Threats) is one of the most commonly used tools to assess the internal and external environments of a firm for **strategic or long-term planning** (Corporate Finance Institute, 2022).



Developed by Kaplan and Norton (1992), the balanced scorecard (BSC) is a performance management tool that views the organization from different perspectives – financial, customer, business process, and learning and growth.

Results

Once more, the phases that this study went through are: firstly, is to present what the BSA program of the local college currently have – in terms of curriculum, faculty profile, and library holdings, among others. The second step is to collect a reasonable number of best practices among educational institutions [local and foreign] that offer Accountancy program. Accordingly, the recent Revised Policies, Standards and Guidelines for Bachelor of Science in Accountancy by CHED shall also be used as benchmark. Inputs from the stakeholders of the BSA program of CCA shall be given equal importance, as well. Finally, based from the data collected – intervention measures shall be developed, plus SWOT Analysis and the related Balanced Scorecard...which are all pertinent to the enhancement of the City College of Angeles' Five-year Institutional Development Plan.

On Account of the BSA Program of the Local College

The Regional Quality Assessment Team (RQAT) of CHED visited and monitored the BS in Accountancy program of the City College of Angeles in 2020. The objective of the said visit is to ensure that the local college has complied with the standards set by CHED for all schools, colleges

and universities in the Philippines which are seeking approval or authority to offer the BS in Accountancy program. The RQAT of CHED used a monitoring instrument to conduct a compliance audit. And the basis of such an instrument of course is – CHED CMO-27-s-2017. The local college originally applied the authority to operate/commence the BSA program in academic year 2017-2018. In that time, the authority to operate the said program has been granted for the first year and second year level, only (starting academic year 2018-2019). In 2022 – another visit from CHED-RQAT has been made...in that time – for the authority to operate the third to fourth year levels. In both CHED-RQAT visits, the local college has been granted the authority to operate. It means that all the minimum requirements set-forth in CHED CMO-27-s-2017, as verified using the Monitoring Instrument for Undergraduate Academic Programs, have fully-complied with.

The SWOT Analysis: CCA-BSA Program

The empirical evidence accumulated through document analysis, observation, personal communication, and by using qualitative survey (unstructured interview questions) – have been utilized in the formulation of the SWOT Analysis for the BSA program of the local college (Table 4).

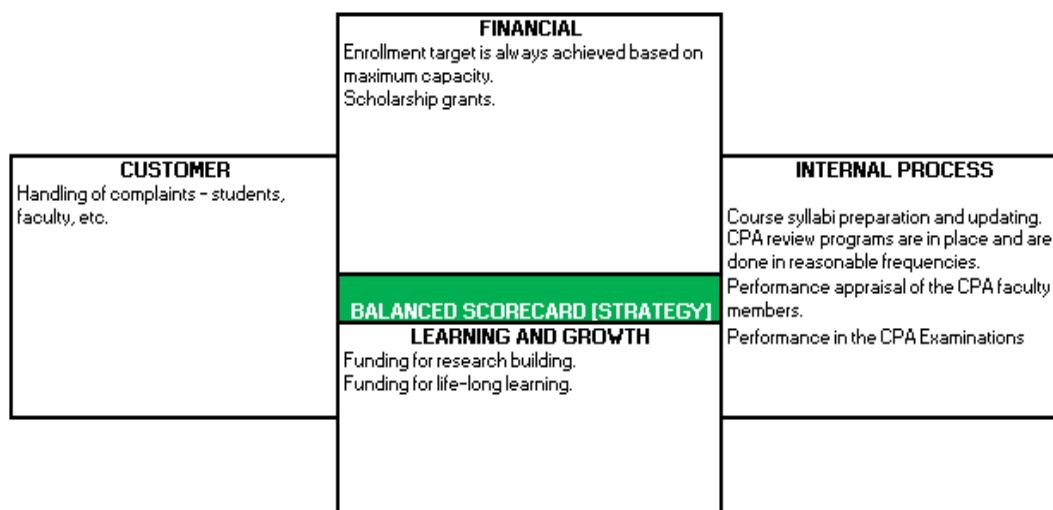
Table 4
SWOT Analysis: BSA Program, City College of Angeles

Strengths	Weaknesses
The incessant support given by the college administrators and the local government unit among the BSA students and faculty [in terms of life-long learning and research].	The relatively slow processing of the purchase of books for the library.
The profile of highly qualified and competent faculty.	The delay in the payment of salary for part-time and contractual full-time faculty members and staff.
Pro-active participation of the college in various academic competition.	Most of the graduating students claim that their level of preparedness to hurdle the CPA exams is less than 50%.
The stringent implementation of the BSA admission, promotion, and retention policy.	
The frequent monitoring of faculty attendance.	
The students who know the value of calculated risks.	
The City College of Angeles do not impose tuition and others among all students.	

Opportunities	Threats
The newly-constructed building [additional classrooms].	The eventual implementation of the new Accountancy Law of the Philippines.
The growing number of the students' population.	The presence of private colleges and universities that can attract more part-time faculty members/lecturers who are both competent and qualified because of a good and timely [undelayed] compensation package.

The data in Table 4 came from personal communication, observation and from the survey, particularly on the established weaknesses. The same sources of data, plus document analysis, have been important for establishing the strengths. As for the sources of data in establishing the opportunities and threats – observation and document analysis have been beneficial.

Figure 3
The Balanced Scorecard for CCA's BSA Program



Each of the Key Performance Indicators (KPIs) in each of the legs/perspectives of the BSC shall be assigned performance targets. On the financial perspective – the number of enrollments achieved and the number of scholarships granted in each measurement period (semestral or academic year). On the customer focus – the number of customer complaints handled and closed. A feedback-form system is encouraged, as well. For the internal process – the total number of syllabi updated per semester, based on the CPA exam syllabi. An average of very satisfactory rating for all CPA/Lawyer faculty. And also – the frequency of CPA review being conducted. It is important that for each activity...evaluation by the participants shall be administered. Finally – the amount of funds actually used for research and life-long learning shall be compared against the budget. While the performance of the college in the CPA exams may be set to be always above the national pass rates.

Some of the best practices by other higher educational institutions which are mentioned in this paper have not been included in the proposed intervention measures for the local college is already manifesting such. One is about the practices of most private universities that offer good number of scholarship programs to the deserving students—plainly because the students of the local college are all scholars on account of Republic Act 10931, known as the Universal Access to Quality Tertiary Education Act. Another best practice that CCA is already implementing is that – for some Philippine private schools, they 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.

Discussion

During the visits, the members of the CHED-RQAT verified the compliance of the local college concerning the following areas: mission and vision, the program administration, the faculty profile, the curriculum, the library holdings, the aspects of laboratory and equipment, the instructional facilities, and other areas like – student services, policies and retention, and publications. Again, the local college's BSA program has fully completed all the minimum requirements. Thus, the authority to operate the said academic program has been granted.

Aside from the minimum compliance of the local college from the CHED requirements for a BSA program, the following measures are currently in place (based on the researcher's professional involvement, as program chair, in the internal processes): (1) A rigid admission, promotion and retention policy has been installed. (2) Books and other CPA learning resources are being purchased for the local college's library. (3) Books and other relevant learning materials are required for all learners. (4) Select students are being trained to participate in various accountancy-related academic competitions – in the local, regional, and national levels. (5) An online repository of CPA review materials, which are accessible to all CCA accountancy students, is in place.

On the other hand, a study in the Philippines says that - the majority of the top-performing examinees in the CPA exams came from private colleges and universities. This result can be credited to the practices of the best private universities that offer a good number of scholarship programs. Revisiting 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 is also notable. The value of graduates (academically, physically, emotionally, and spiritually) is possibly one of the factors in preparation for the CPA exams (Laguador & Refozar, 2020).

Another study in the United States points to three particularly important best practices for schools that wish to improve their students' exam pass rates in the CPA exams may include offering CPA review classes on campus, creating a study room on campus plus a practice testing computer laboratory, and designate a faculty member to be the academic champion for the CPA Exam (Gaynor & Askew, 2017).

Conclusion

Table 5

Proposed Intervention Measures for the BSA Program of a Local College

Data for the Intervention Measures – Category 1	The Intervention Plan of Action/Feedback
On the Weaknesses:	
1. The relatively slow processing of the purchase of books for the library.	Prepare request for book purchases with supporting documents at the beginning of each year calendar year – early request may also mitigate the delay of actual purchase approval and payment.
2. The delay in the payment of salary for part-time and contractual full-time faculty members and staff.	Revisit the salary scheme of the local college – use the data of the nearby tertiary schools and inform the college administrators about the feedback of other faculty members regarding the delay of salary release.
3. Most of the graduating students claim that their level of preparedness to hurdle the CPA exams is less than 50%.	Conduct CPA review classes during weekends.
On the Threats:	
1. The eventual implementation of the new Accountancy Law of the Philippines.	Revisit the existing retention policy to ensure that it is still at par with the stringent requirements of the proposed Accountancy Law.
2. The presence of private colleges and universities that can attract more part-time faculty members/lecturers who are both competent and qualified because of a good and timely (undelayed) compensation package.	Inform the proper level of authorities of the local college to resolve the issue on the delay of salary release for the part-time and contractual faculty members.
Data for the Intervention Measures – Category 2	The Intervention Plan of Action/Feedback
1. Offer CPA review classes on campus.	This course of action is to be implemented starting A.Y. 2022-2023.
2. Create a study room on-campus-and a practice testing laboratory if possible.	This course of action is to be implemented starting A.Y. 2022-2023.
3. Designate a faculty member to be the academic champion for the CPA Exam.	Consultation among the CPA faculty members is important before the implementation.
4. Re-evaluate of the different course syllabi based on PRC and Board of Accountancy recommendations vis-à-vis actual board syllabus.	This is currently being done, but the outputs are needed to be assed more religiously.
5. Determine non-CPA graduates – where they are currently employed and the possibility of guiding them, if ever these students plan to take the board examinations.	Conduct first a tracer study-after the first batch of accountancy students of CCA have graduated.
6. Hold a boot-camp for graduating students.	This course of action is to be implemented starting A.Y. 2022-2023.
7. Determine any possible linkage building with our CPA graduates who in turn can serve as inspirational	This course of action is to be implemented starting A.Y. 2022-2023.

speakers of classroom resource speakers for enrichment of the undergraduate students.

8. Instructors should construct exercises and instructional materials patterned from the problems given in the CPA board examinations to develop the student's skills in answering and solving problems.

9. Invite resource speakers to shed light and provide expertise on board subjects which graduates were weak at.

10. The researcher recommends that there should be a strategic planning session among the dean and faculty of accountancy program to ensure that the recommendations previously mentioned will be integrated in the program plans. The planning sessions may also serve as venue where various strategies may be developed to improve the passing rate of the CCA's CPA candidates.

Consultation among the CPA faculty members is important before the implementation.

This course of action is to be implemented starting A.Y. 2022-2023.

Consultation among the CPA faculty members and the Dean is important before the implementation.

The researchers' recommendations for the intervention program that aims to obtain an above national passing rate in the Philippine CPA Licensure Examinations. The said intervention measures are divided into two (2) categories. Category number one, aims to suggest resolutions to the established weaknesses and threats in the SWOT Analysis in Table 4. Category number 2 is to suggest the adoption of some of the best practices of other accountancy schools.

Some of the best practices by other higher educational institutions which are mentioned in this paper have not been included in the proposed intervention measures for the local college is already manifesting such. One is about the practices of most private universities that offer good number of scholarship programs to the deserving students—plainly because the students of the local college are all scholars on account of Republic Act 10931, known as the Universal Access to Quality Tertiary Education Act. Another best practice that CCA is already implementing is that – for some Philippine private schools, they 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 City College of Angeles shall have graduates of its first batch of BS in Accountancy students this current year of 2022. The outcome is either zero percent pass rate or 100% because there is only one student who is willing to sit for the CPA exams this October 2022. Nonetheless, it is imperative to revisit the system currently in place pertaining to the operations of the accountancy program of the local college and integrate necessary changes resulting from a research-based data. Thus, the information obtained from the stakeholders of the CCAs' BSA program and the best practices of some accountancy schools are crucial in the enhancement of the aforesaid academic program.

Management Implications and Future Research Directions

The college and BSA program administrators may consider the findings and recommendations in this paper to verify if such may help in the furtherance of the institution's quality of accountancy education. The performance of the college in the CPA examinations shall be the yardstick for its

effectiveness. The performance of the local college based on the result of the CPA Board Examinations may be analyzed in future researches for the purpose of determining the factors that drive the result thereof.

On Conflicts of Interest and Ethical clearance

The proponent of this paper states that conflicts of interest with respect to the research/authorship/publication of this material, do not exist. Any financial support for the research/authorship/publication of this paper, has not been provided to the author.

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