

**FACTORS THAT HINDER CERTIFIED PUBLIC ACCOUNTANT  
(CPA) BOARD PASSERS TO PRACTICE THEIR  
ACCOUNTING PROFESSION**

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**ABSTRACT**

This paper involved discovering the factors that hinder Certified Public Accountants from practicing or applying their learning towards their work. The goal was to provide some methods for determining the factors that hinder professionals to be competent and proficient in the field of accountancy. The study further aimed to give information about the different factors CPA board passers need to comply in order to absolutely practice their profession. The researchers gathered different information using the books, Internet Web pages, related articles and consulted people who are associated with the study. The gathered data were based on the experiences of professional people who have been in the field of accountancy either for only a while or for several years. Passing the CPA board examination is never easy and practicing the Accounting profession requires one to adhere to professional rules, standards, ethics and guidelines. CPAs claim that some companies usually employ graduates of prestigious and renowned institutions without considering the capacity and skills of the applicants. Some take pride in working for large companies for self-fulfilment not minding their profession. The corporate and personal conflicts in the work place affect the goal of accountants to practice their profession while finding the annual changes in the accounting standards arduous.

**Keywords:** Certified Public Accountants, CPA Board Examination, Profession.

**INTRODUCTION**

“People respond to incentives:” a principle in Economics that applies to every human endeavor. We do our best in our studies because we expect to have a stable job in the future. If we expected otherwise, all our efforts would have been in vain and essence of our studies will be lost. Therefore, it is only normal that we become intrigued and threatened by any uncertainty of a stable future job, in our case as Bachelor of Science in Accountancy students, as Certified Public Accountants.

As students, we are very eager to know more about the probabilities of our successful careers in the future. This is what we are striving for. In relation to the course we are taking right now, Bachelor of Science in Accountancy, we are very alarmed with the news and information we heard recently. It is about the cases of CPA Board passers having difficulties in practicing their profession here in the Philippines. Thus, we decided to have a study based on this dismaying situation. We expect that the outcome of this study will serve as our guidelines and precautions as we pursue our course until the moment we reach the bottom-line of all we have studied for. This study will contribute awareness and knowledge for future CPA board passers to avoid incompetency in the field of accounting.

Over the years, the percentages of CPA Board Passer are increasing exponentially. While it is true that the constant demand for CPAs makes employment a lesser concern for them, survey will show us that not all of these passers are able to practice their profession as Certified Public Accountants. Therefore, gathering information from the Internet, books, Web pages and people directly affected with the issue we have decided to conduct a research that will show the factors that hinder Certified Public Accountants from being able to put into practice their learning and work in their given field.

The study which was conducted in the premises of the University of the Immaculate Conception will provided information that would also provide guidance not only to already successful CPAs but also to those who are struggling to become one. It will give an insight into the hindrances Certified Public Accountants are encountering. Therefore, providing us with knowledge is essential in our journey towards the real world.

Accounting profession is significant in any kind of business organization. This profession contributes a great impact in the success of an organization. Accountants provide financial information to allow the internal users to monitor and determine whether organization's activities have produced economic benefits. They express opinions and valid judgments about those activities to prove the creditworthiness of the organization. Hence, the organization depends on the reports in making crucial decisions. Accordingly, if the accountants fail to comply with the requirements in the practice, then the organization is likely to fail too.

This study was designed to provide awareness not only for the recent passers but also for the aspiring accountants who desire to be excellent on their chosen careers. Results may assist the companies in selecting their employees to attain positive feedback and exceptional success for the entity. Also, it is intended to provide sufficient information about the significance of professionalism in the field of accounting profession.

### Scope and Delimitation

The study focused on factors that might hinder CPA board passers in practicing their professions and affect their work ethics. The study was conducted in the University of Immaculate Conception. It involved surveys and interviews on the certified public accountants working in the said university to document observations of their activities and habits in their work place that might contribute to the factors that hinder them in exercising their professions. The study aimed to give information about the different factors that CPA board passers need to comply for them to practice their profession completely. This also covered the information under R.A. 9298 which is also known as the "Philippine Accountancy Act of 2004" in relation to the procedures and rules of the Accounting practice as it was amended by the Philippines' Professional Regulation and Commission (PRC). The investigation was limited on the said law and on the views and opinions gathered based on the various experience of CPAs working and even those who have graduated in the University of the Immaculate Conception.

### METHOD

We gathered information from books, Internet Web pages, related articles and consulted people who are associated with the study. We explored the experiences of professional people who have been in the field of accountancy either for only a while or for several years.

The study took place in the University of Immaculate Conception campus which is located at Bonifacio Street, Davao City. This was done for the purpose of having sources within reach and to avoid the coverage to be too vast to handle. These purposes aided us to realize our target with accurate outcomes that made the study reliable and significant.

It involved the professionals who are called certified public accountants who are teaching in UIC under the Accountancy and Business Administration Program. These professionals participated as interviewees and survey respondents.

The interview type of research was used for the accumulation of the important data that were administered straight to professionals under the field of the accounting practice.

Our questionnaire consisted of the following questions:

*How long did it take for you to have a permanent job?*

*What obstacles did you encounter before being employed in your current job?*

*What do you think are some factors that hinder a CPA from practicing his/her profession?*

*In your opinion, which among the four fields of Accountancy requires only a short period of time to find employment?*

*If you were unable to find a job that will fit your field of expertise, what other job would you probably take up and why?*

*What are the factors that threaten the stability of your current job? What are they?*

## RESULTS AND DISCUSSION

According to our research, CPAs claimed that they found some difficulties with regards to the changes in the accounting standards every year. Some of them say that Generally Accepted Accounting Principles (GAAP) is becoming less relevant nowadays. Instead of focusing on the main function of accountants which is to provide timely information to influence the decision of financial users, these guidelines somewhat create approaches to encourage the earnings game or the “accounting hocus-pocus” and fails to account for or disclose certain types of information about intangibles and to communicate information about value creation because it is mish-mash of accounting procedures. Hence, it would take them another period of time to study these yearly changes thoroughly and attentively.

Another is that firms and companies sometimes are very particular on the educational background of such accountant. They usually employ applicants from prestigious and renowned institutions without even considering the capacity and skills of such individual. Thus, CPA board passers find it hard for them to obtain a good and stable job suited for their standards and ability because of the demanding system of such companies.

Sometimes, the incompetency of the work place affects the goal of accountants to practice their profession. Because of the extreme need for finance, CPAs become more selective of the work place that they are about to enter. Though this attitude of work should not be tolerated in professionalism but it is verifiable that this practice is really visible in our times.

Some also are not depending on what is paid but they are concerned on what is meant for them to do. Some accountants take pride on working for large companies and firms and so, they prefer to get a job which could really give them the fulfilment of being granted a title of a Certified Public Accountant.

There are still various factors that alarm the CPAs to perform their professional side not only as accountancy graduates but a registered and a proven skilful and competent accountant. But the most common factor that majority of them are concerned about is the R.A. 9298 or the Philippine Accountancy Act.

According to this act, these are the different section which entails the different issues regarding the accounting profession.

### ***Section 23. Refusal to Issue Certificate of Registration and Professional Identification Card.***

The Board shall not register and issue a certificate of registration and professional identification Card to any successful examinee convicted by the court of competent jurisdiction of a criminal offence involving moral turpitude or guilty of immoral and dishonorable conduct to any person or unsound mind. In the event of refusal to issue certificate for any reason, the Board shall give the applicant a written statement setting forth the reasons for such action, which statement shall be incorporated in the record of the Board.

### ***Section 24. Suspension and Revocation of Certificate of Registration and Professional Identification Card and Cancellation of Special Permit.***

The Board shall have the power, upon the notice and hearing, to suspend or revoke the practitioner’s certificate of registration and professional identification card or suspend his/her from the practice of his/her profession or cancel his/her special permit for any of the causes or ground mentioned under Section 23 of this Act or any of the provisions of this Act, and its implementing rules and regulations, the certified Public Accountant’s Code of Ethics and the technical and professional standards of practice for certified public accountants.

## ARTICLE IV

### *Section 26. Prohibition in the Practice of Accountancy.*

No person shall practice accountancy in this country, or use the title “Certified Public Accountant”, or use the abbreviated title “CPA” or display or use any title, sign, card, advertisement or other device to indicate such person practices or offers to practice accountancy, or is a certified public accountant, unless such person shall have received from the Board a certificate of registration/Professional license and be issued a professional identification card or a valid temporary/special permit duly issued to him/her by the Board and the Commission.

### *Section 28. Limitation of the Practice of Public Accountancy.*

Single practitioners and partnerships for the practice of public accountancy shall be registered certified public accountants in the Philippines: Provided, that from the effectivity of this Act, a certificate of accreditation shall be issued to certified public accountant in public practice only upon showing, in accordance with rules and regulations promulgated by the Board and approved by the Commission, that such registrant has acquired a minimum of three (3) years meaningful experience in any of the areas of public practice including taxation: Provide, further, that this requirement shall not apply to those already granted a certificate of accreditation prior to the affectivity of this Act. The Security and Exchange Commission shall not register any corporation organized for the practice of public accountancy.

According to the study of Streit (2006), the challenges facing the accounting profession are manifold. One of the most important challenges for accountants will be a rethinking, as they cannot see themselves as the providers of historical financial information anymore. Instead, the public demands from them to serve as the conscience of the corporation. Moreover, “they have to act as gatekeepers to ensure that accounting standards are implemented properly, not just conveniently” says Ho Yew Kee, an associate professor of the National University of Singapore, in an interview with the Business Times Singapore.

Another challenge for accountants, as well as for auditors, is to understand the business implications of financial decisions and actions, as finance and accounting forms an integral part of business strategy. Therefore, greater responsibility and increased scrutiny are being imposed on accountants and auditors alike.

A lot of people might not know the importance of this law because for them, it is just a guideline for CPAs. But passing only the Licensure Examination is not an assurance of their professional career because they also need to undergo the system concerning the sections and components of this law. This becomes an additional pressure for them resulting for some accountants to fail on their goal to practice their accounting profession.

Passing a difficult CPA board examination was just a stepping stone in practicing Accounting profession. To practice Accounting profession, requires a lot of laws, ethics and procedures to be followed. As accounting profession develops through time some factors also arise in practicing Accounting Profession. In the Philippines one factor was the Republic act 9298 which is also known as the “Philippine Accountancy Act of 2004” covers the codes and ethics that must be followed by CPA in order to practice his/her profession. And through this factor, there were some CPA who can’t practice their profession right away such as if CPA’s was not able to comply having a three (3) years meaningful experience in any of the areas of public practice or fail to comply those regulatory measures, programs and activities in the said act. By knowing this factors, it enable CPA’s to be more prepared and solve those hindrance in order to develop and nurture competent, virtuous, productive and well rounded professional accountants whose standard of practice and service shall be excellent, qualitative, world class and globally competitive.

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**FACTORS ASSOCIATED WITH THE PATRONAGE  
OF UKAY-UKAY PRODUCTS IN DAVAO CITY**

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## ABSTRACT

Selling of branded second hand clothes and apparels has become one of the lucrative micro-businesses in the Philippines today because many Filipinos love to enjoy these so called “ukay-ukay” (a Visayan term for dig-up) products. Recycling these used products from other countries might have inherent risks yet many consumers continue to patronize them. Thus, this investigation was made primarily to identify the factors that give rise to the patronage of “ukay-ukay” commodities in Davao City, Philippines. With the aid of researchers-made questionnaire, surveys were administered to 388 purposively chosen respondents whose bulk is composed of 16 to 20 year old (55%) and students (58%). Results of the study revealed that affordability is the major factor why the respondents bought from “ukay-ukay” shops and this could be attributed to their low level of monthly family income – estimating below Ten Thousand Pesos and not yet earning their own money because they are still studying. The other factors included conventional reasons such as durability, wide array of choices and availability of branded products at a low cost. More so, clothes are best buys for occasional shopping. Group references, like relatives, friends and co-workers, influenced the respondents in buying “ukay-ukay” products.

**Keywords:** Marketing research, factors, ukay-ukay patrons, ukay-ukay products, Davao City, Philippines