

STUDENTS' PERCEPTION OF INTERNSHIP PROGRAMME IN ACCOUNTING

M.W. MADURAPPERUMA¹, P.M.C.THILAKARATHNE² and H.A.P.L. PERERA³

Department of Accountancy, University of Kelaniya, Sri Lanka^{1,2,3}
wasanthi@kln.ac.lk¹, lal@kln.ac.lk², prabathperera@kln.ac.lk³

Abstract

Internship is an important part of a study program for accounting undergraduates in all universities in Sri Lanka. This research explores the students' perception of their experience in Internship training before and after engaging the training. A questionnaire was given to 107 fourth-year accounting undergraduates in the University of Kelaniya, who had introduced internship training for its undergraduates. The data was analyzed using descriptive statistics. The results show that the accounting students had moderate levels of perception on all the categories, except future career, which showed a low level of perception. This meant that they believed that internship training had not given them the confidence that they will be able to obtain the future career they want in accounting profession. Another interesting finding of the research, through a correlation analysis shows that the longer the duration of internship training, the higher the readiness and future career development among the accounting undergraduates.

Keywords: Internship Training, Accounting Undergraduates, Internship, perceptions

Introduction

The Ministry of Higher Education in Sri Lanka promotes all government higher education institutions to produce a quality and marketable graduates as graduate employability is one of the critical agendas under the Higher Education Strategic Plan. It emphasize the need for graduates to possess additional skills to complement their qualifications for employability. Apart from theoretical knowledge working experience has become an important consideration in the job market. Higher Education institutions are now providing Accountancy graduates with the opportunity to translate the knowledge gained within the classroom into practice through internship training. Accordingly, Internship training aims to develop the student's soft skills which are required in providing quality and professional workforce in the future.

Internship training provides a means for accounting students to gain exposure to actual working life while it aims to bridge the gap between theory and practice. In general, local and international accounting bodies, from large to small and medium enterprises, give their continuous support in providing practical training to accounting students. In most universities, Accounting students are highly encouraged to attach to accounting and auditing

organizations. In order to pass the internship training, the accounting students must demonstrate good analytical skills, independence and competency when performing the tasks assigned. During the training, the accounting students not only have the opportunity to learn, but to interact and work with supervisors, colleagues, clients and the academic supervisor. Hiring an undergraduate in an internship training program benefits all parties; employers, students, and universities. Employers are able to use internship training as a platform for identifying potential young graduates to be hired. At the same time, employers are contributing to the future generation of accounting professionals by providing technical skills as well as supplying feedback to the academia on the student's performance, so that new insights can be embedded into the curriculum. Accounting students, on the other hand, benefit by developing hands-on skills and soft skills. This includes communication, interpersonal, and teamwork skills, as well as becoming marketable graduates. Lubbers (2007), shows that Internship training provide many advantages to students ranging from gaining experience and obtaining career-related direction to networking. Institutions offering internship programmes benefit through increased cooperation and rapport with the industry according to English and Koeppen, (1993). Employers also benefit from these programmes, as internships can provide them with inexpensive help, new ideas and potential future employees (Rothman, 2007; Cannon and Arnold, 1998). Therefore, internships benefit students, institutions and employers (Cook et al., 2004; Lam and Ching, 2007) alike.

However, there is a gaps in what Accounting students expect from the training and what they actually experience. The study aims to examine the perceptions of interns on various issues before and after their internship trainings to identify whether any gap exists in their perception. Issues are focused on what interns have learnt; the process by which they learnt; the effect of what has been learnt on their expectations of their future profession; and choices of their future career.

This paper is organized as follows; the first section provides the review of relevant literature on internship, followed by a discussion on the research methodology adopted in this study. The remaining sections report the findings and conclusion of the study.

Literature Review

The internship programme contributes significantly and positively towards enhancing the hands-on experience (Madurpapruma and Thilakrathne 2013) and motivational level of students (Beard, 1998). According to these studies, internship experience can make subsequent study more meaningful and is useful to develop students academically and professionally before entering the workplace. The International Federation of Accountants (IFAC) (2007) stresses the importance of integrating formal education and practical experience in enabling graduates to develop their professional knowledge and professional

skills. Beard (1998) emphasized that this integration process may be achieved through an internship training.

The motivation of introducing internship training as part of the curriculum is that students benefit from these internship experiences and exposure. Benefits through internship training include improvements in career-related direction (Lubbers, 2001; Beard and Morton, 1999), gaining practical experience (Lubbers, 2001), improved marketability of graduates (Swift and Kent, 1999; Hymon-Parker, 1998), job expectations (Knouse et al., 1999), interpersonal skills (Beard and Morton, 1999), leadership (Cook et al., 2004) and understanding of the business applications of classroom learning (Cook et al., 2004; Hymon-Parker, 1998).

Hite and Bellizi (1986) found that the most commonly agreed benefit of internship training for undergraduates is providing a valuable learning experience that complements their coursework. Students have described internship training as a bridge the gap between the theory of the classroom and the world of practice (Nevett, 1985). Internship programmes are perceived as a valuable way to acquire broad competencies where the practical knowledge obtained supports and complements the theoretical studies learned in the classrooms (Mihail, 2006). Empirical research in cognitive psychology has established that prior experiences are able to enhance the performance in fairly complex learning and problem solving tasks (Britton and Tesser, 1982). Ricks et al., (1989) argue that when individuals apply their work experience to a subsequent learning environment they can better analyze and question the theory, thus, serving as a learning condition that fosters and sustains the work and school environments. Both students and employers strongly agree that experience and exposure to the real job setting obtained from the internship programme are more valuable than additional coursework i.e. case studies and guest speakers in classes (Hall et al., 1995). Internship trainings are also found to successfully enhance students' performance in accounting and auditing courses as well as in their overall GPA performance (Madurpapurama and Thilakrathne 2013; English and Koeppen, 1993; Knechel and Snowball, 1987).

The internship experience is argued to be beneficial in socializing the student through training, teamwork assignments, meetings with clients or employees, and various events hosted by the organization they are attached to during their internship (Lubbers, 2007/8). It was found that graduates with practical experience report positive changes in feelings of personal and social efficacy (Bernstein, 1976) and show a greater sense of responsibility and career development (Hursch and Borzak 1979; Eyer 1992). Mihail (2006) noted that interns have successfully developed their personal skills, particularly relating to information technology, time management, communication skills, teamwork, specialist knowledge and ability to prioritize tasks. Internship is perceived as the most effective strategy for the employment opportunity (Callanan and Benzing, 2004; Brooks et al., 1995; Knouse et al., 1999; Taylor, 1998 and Scott, 1992). Practical experience and exposure gained during the internship programme are found to be helpful in improving career decision making

(Brooks et al., 1995; Taylor, 1998). Internship is the best way for students to explore the suitability of a particular job (Scott, 1992). According to Cannon and Arnold (1998), internship may pave the way for permanent employment upon graduation as well as providing an in-depth understanding of actual business practice. It was found that business school graduates that have gone through an internship training tend to secure their first jobs faster than graduates without internship experience (Knouse et al., 1999). Further, business graduates with internship experience are likely to get conspicuously higher starting pay and report greater job satisfaction compared to their noninternship counterparts (Gault et al., 2000).

Various researchers investigate the expectations of students and employers towards the internship programme. Tackett et al. (2001) mention four specific areas, namely, ethics, oral and written communication skills, office conduct and technical skills where interns and employers have conflicting perceptions. Students hope to receive monetary rewards and be treated as regular employees. However, employers are not willing to treat interns as regular employees and, thus, normally assign duties that are more appropriate for college students (Hall et al., 1995). Employers are warned not to treat interns as part-time employees as this will result in an unsatisfactory internship and will most likely damage the relationship between the employer and the universities (Tackett et al., 2001). Universities should be responsible to ensure that internships are meaningful learning experiences for their students from employers and interns; and is followed by the modification of the internship programme accordingly.

Research Methodology

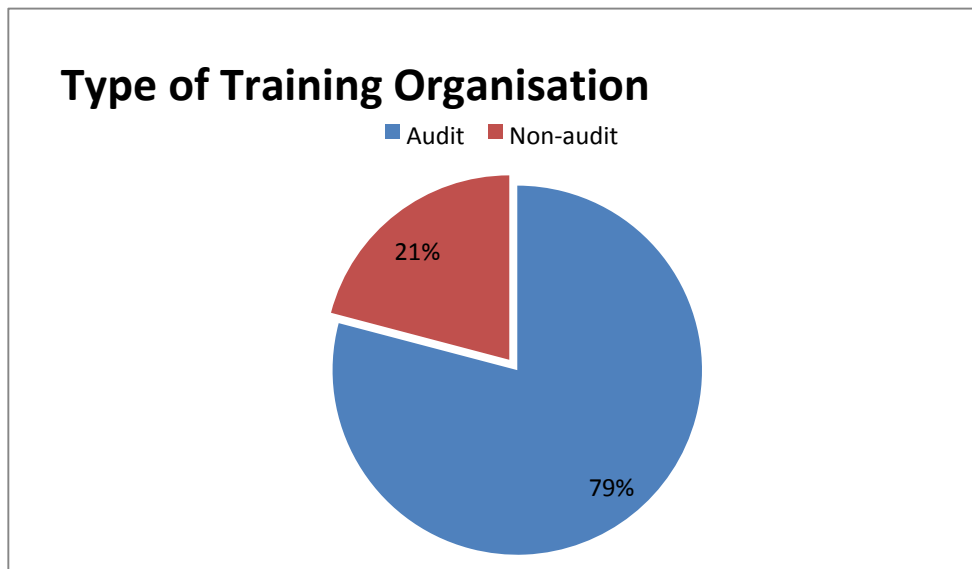
The aim of this study is to examine intern's perceptions on the selected issues relating to the internship training, before and after the internship training. For that purpose, questionnaires were distributed to accounting students who have completed their internship training. The questionnaire was piloted among the final year accounting students in the faculty of commerce and management studies, University of Kelaniya. Accordingly, twenty sets of questionnaire were distributed among accounting undergraduates. The researcher received fifteen responses with comments on the wording, sequencing of questions, and whether the questions made sense and were relevant to the research objective. After taking into consideration all the comments and notes the questionnaire was subsequently modified. The amended version of the questionnaire was divided into four sections, namely, Section A: Demographic profile of students; Section B: Students' perception before going for the internship training; Section C: Students' opinion after the internship training; and Section D: Other related issues. Once gathered, the data was tested for normality and reliability. The results of the normality test indicate that all items are reasonably normally distributed.

Results and Discussions

Demographic information

A total of 107 students were involved in the internship training for the academic year 2011/12. However, only 96 questionnaires were returned, representing a response rate of 93%. A demographic profile for the interns is captured in Table 1. The majority of the interns (65%) are female. The majority (79%) of the interns did their internship training in accounting/auditing firms. In terms of internship location, 71% of interns chose to do their internship in Colombo. 45% of students engage their training in big 5 Accounting and Audit firms.

Figure 1



Out of 107 interns 5% of the respondents were placed at the government agencies. Majority were totally exposure to private organization which we believe more competitive and challenging environments. Data shows that 45% of respondent undergoing their training in large company while 28% of respondents placed in medium company. The other 21% of respondents undergo their training in small company. Larger companies were more normally offer good training and skills development, and smaller companies were more likely to offer less formal training packages, however they could provide more opportunities, training coverage, management skills etc, when compared with larger companies.

Students' Perception before Undergoing Training

This section reviewed the respondents' perception before and after internship training. The paired sample t-test is used to measure the gap in the interns' perceptions of what can be achieved from the internship training before they go for their training and what they have achieved after they have completed the internship training. The results are presented in Table 1.

Table 1: Perception of Interns Before and After the Internship Attachment

	<i>Mean before N = 107</i>	<i>Mean After N = 107</i>	<i>value (sig. p<0.05)</i>
1 The internship experience is able/had prepared me to be a better employee in the future.	3.89	3.49	0.0816
2 The internship experience provides/has provided me with the relevant knowledge and practical experience to assist me in adapting myself to my future working environment.	3.6	3.28	0.0004
3 The internship experience will help/helped me to relate the theories learned in the classroom to the work environment	3.72	3.6355	0.265
4 The internship experience will help/helped me to enhance knowledge in internal auditing.	3.476	3.35	0.128
5 The internship experience will help/helped me to enhance knowledge in external auditing.	3.48	3.9	0.000616
6 The internship experiences will help/helped me to enhance knowledge in financial accounting and reporting.	3.44	3.75	0.00009
7 The internship experiences will help/helped me to enhance knowledge in management accounting.	3.22	3.01	0.2751

8 The internship experiences will help/helped me to enhance knowledge in public sector accounting.	3.01	2.81	0.086
9 The internship experiences will help/helped me to enhance knowledge in tax accounting.	3.52	3.38	0.087
10 The internship experiences will help/helped me to enhance my ability to prepare financial statements.	3.53	3.78	0.0041
11 The internship experiences will help/helped me to have better understanding in interpreting and evaluating financial statements.	3.77	3.63	0.243
12 The internship experiences will help/helped me to develop my problem solving skill.	3.504	3.374	0.136
13 The internship experiences will help/helped me to develop my communication skill.	3.51	3.42	0.259
14 The internship experiences will help/helped me to develop my interpersonal skill.	3.573	3.39	0.105
15 The internship experiences will help/helped me to improve my personal confidence and self-esteem.	3.51	3.53	0.806
16 The internship experience is able/had given me the exposure to the latest technology adopted in the work place.	3.72	3.33	0.00012
17 The internship training is able to/had given me the opportunity to build up rapport and networking with people in the industry and business arena.	3.588	3.355	0.006

18 The internship training is able to/had given me the opportunity to earn some money.	3.46	3.27	0.052
19 The internship training will provide/had provided me with the necessary job experience that can improve my chances to get a good job upon graduation.	3.72	3.55	0.072
20 The internship training will provide/had provided me with the necessary information and experiences to choose the right career path upon graduation.	3.53	3.31	0.011

Survey results shows that interns have not achieved what they expect to benefit from their internship. Comparing the two mean values obtained for items under the two situations (i.e. before and after) it reveals that of the mean values for items under the situation “before” are higher than those mean values for the same items under the situation labeled as “after”. The result shows that there are gaps between what is desired from the internship training and what is actually achieved by the interns. This finding shows that student’s expectations before and after the internship was unmet. This finding supports the findings of Lam and Ching’s (2007).

The four items that interns perceived as being achieved were item 5, 6 and 10. The internship experience will help/helped me to enhance knowledge in external auditing. (The internship experiences will help/helped me to enhance knowledge in financial accounting and reporting.), The internship experiences will help/helped me to enhance my ability to prepare financial statements. However, the mean values of these four items in the column “after” are higher, indicating that interns have achieved their expectation; the t values for these four items are statistically significant.. Auditing is a compulsory course unit in the accounting curriculum. This may possibly lead the interns to put the high expectation on the internship training in enhancing their knowledge in external auditing in particular. This finding support with the results obtained by Knechel and Snowball (1987) who found that the internship has successfully enhanced the interns’ understanding in auditing.

5 The internship experience will help/helped me to enhance knowledge in external auditing.	3.48	3.9	0.000616
6 The internship experiences will help/helped me to enhance knowledge in financial accounting and reporting.	3.44	3.75	0.00009
10 The internship experiences will help/helped me to enhance my ability to prepare financial statements.	3.53	3.78	0.0041

The gaps are found to be significant for items following items.

2 The internship experience provides/has provided me with the relevant knowledge and practical experience to assist me in adapting myself to my future working environment.	3.6	3.28	0.0004
16 The internship experience is able/had given me the exposure to the latest technology adopted in the work place.	3.72	3.33	0.00012
17 The internship training is able to/had given me the opportunity to build up rapport and networking with people in the industry and business arena.	3.588	3.355	0.006
18 The internship training is able to/had given me the opportunity to earn some money.	3.46	3.27	0.052
19 The internship training will provide/had provided me with the necessary job experience that can improve my chances to get a good job upon graduation.	3.72	3.55	0.072
20 The internship training will provide/had provided me with the necessary information and experiences to choose the right career path upon graduation.	3.53	3.31	0.011

Students do not benefit from the internship training in obtaining the relevant knowledge and practical experience to assist them to better adapt to their future working environment. This might indicate that students are not being treated as regular employees and, thus, are not being given appropriate or specific tasks to expose them to a proper job setting and experience. As highlighted by Lam and Ching (2007) intern students are normally treated as floating members to make up for those employees who are on leave.

In general, it may be concluded that the internship experience does not help the interns to improve their technical skills, like e-auditing and computerized accounting. The interns also felt that they are not getting appropriate exposure to the latest technology used in the workplace they are attached to. Again, this finding contrasts with the results found by Gaultet al. (2000) where interns responded that they have experienced greater exposure to a variety of new business specific software applications. The majority of the interns were attached to relatively small audit firms that still maintain manual recording and auditing processes. Most of these firms are only exposed to the usage of automated working papers instead of automated audit software. Thus, possibly giving rise to such a result.

It is also found that the training failed to improve interns' interpersonal skills as reflected in the higher mean values in the column 'before' for item 14. This finding contrasts with Beard and Morton (1999) and Lam and Ching's (2007) studies found the internship programme successfully improved the soft skills of interns.

As shown in the correlation table, majority of interns (80%) think that the most appropriate internship period should be two years. Mihail (2006) also found in his study that most of the interns preferred to have internship periods ranging from one to two years. The results in correlation table - 2 shows that interns are willing to have a longer internship period and believe that they can learn more within two years period.

Table 2 – correlation

Correlations

	Readiness and future career development	longer the duration of internship training
Pearson Correlation	1	.818**
Sig. (2-tailed)		.000
N	107	107
Pearson Correlation	.818**	1
Sig. (2-tailed)	.000	
N	107	107

** . Correlation is significant at the 0.01 level (2-tailed).

Conclusion

In general, we may conclude that the interns perceive the internship training as not able to give them the expected benefits. However, the internship is regarded as successfully providing guidance to them in choosing their career path as well as in enhancing their knowledge of accounting and Auditing. The interns generally felt that the present internship period of 1000 hours is not sufficient for them to learn and gain the expected knowledge from the training. This factor may possibly contribute towards the gaps in their perception as described in the preceding section. The same feedback is noted from employers when members of the faculty visited the interns at their place of training. Further, steps need to be taken to fill these gaps. If future career and readiness are two important learning outcomes to be achieved in accounting training among undergraduates, the universities should consider lengthening the duration of this training. The universities need to clearly define the learning outcomes and assess the students based on the desired learning outcomes.

References

- Beard, D.F., (1998). The status of internship / cooperative education experiences in accounting education. *Journal of Accounting Education*, 16, 507-516.
- Beard, F., & Morton, L. (1999). Effects of internship predictors on successful field experience. *Journalism & Mass Communication Educator*, 53, 42-53.
- Bernstein, J. (1976). Urban field education: An opportunity structure for enhancing students' personal and social efficacy. *Human Relations*, 29, 677-85.
- Britton, B.K., & Tesser, A. (1982). Effects of prior knowledge on use of cognitive capacity in three complex cognitive tasks. *Journal of Verbal Learning and Verbal Behaviour*, 421-436.
- Brooks, L., Cornelius, A., Greenfield, E., & Joseph, R. (1995). The relation of career related work or internship experiences to the career development of college seniors. *Journal of Vocational Behaviour*, 46, 332-349.
- Burnett, S. (2003). The future of accounting education: A regional perspective. *Journal of Education for Business*, 78, p.129
- Callanan, G., & Benzing, C (2004). Assessing the role of internship in career-oriented employment of graduating college students. *Education + Training*, 46, 82-89.
- Cannon, J.A., & Arnold, M.J. (1998). Student expectations of collegiate internship programs in business: A 10-year update. *Journal of Education for Business*, 73, 202-205.
- Cook, Sherry J., Stephen R. Parker, & Charles E. Pettijohn (2004). The perceptions of interns: A longitudinal case study. *Journal of Education for Business*, 79, 179-185.
- English, D.M. & Koeppen, D.R. (1993). The relationship of accounting internship and subsequent academic performance. *Issues in Accounting Education*, Fall, 292-299.
- Eyler, J. T. (1992). Comparing the impact of two internship experiences on student learning. *Journal of Cooperative Education*, 29, 41-52.
- Furco, A. (1996). Service Learning and School-to-Work. *Journal of Cooperative Education*, 1, 7-14.
- Gault, J., Redington, J., & Schlager, T. (2000). Undergraduate business internships and career success: Are they related? *Journal of Marketing Education*, 22, 45-53.
- Hall, M., Stiles, G., Kuzma, J. & Elliot, K. (1995). A comparison of student and employer expectation with regards to business internship. *Marketing Education Review*, 5, 3.

- Hite, R., & Bellizzi, J. (1986). Student expectations regarding collegiate internship programs in marketing. *Journal of Marketing Education*, 8, 41-49.
- Hirsch, B. and Borzak, L. (1979). Toward cognitive development through field studies. *Journal of Higher Education*, 50, 63-77.
- Hymon-Parker, S. (1998). Benefits and limitations of internships as viewed by educators and retailers/commentary. *Journal of Family and Consumer Sciences*, 90, 76-81.
- Knechel, W.R., & Snowball, D. (1987). Accounting internship and subsequent academic performance: An empirical study. *The Accounting Review*, October, 799-807.
- Knouse, S.N., Tanner, J.T., & Harris, E.W. (1999). The relation of college internship, college performance, and subsequent job opportunity. *Journal of Employment Counseling*, 36, 35-43.
- Lam, T., Ching, L. (2006). An exploratory study of an internship program: The case of Hong Kong students. *Hospitality Management*, 26, 336-351.
- Maskooki, K., Rama, D.V., & Raghunanandan, K. (1998). Internships in undergraduate finance programs. *Financial Practice & Education*, 20, 94-102.
- McMahon, U., & Quinn, U. (1995). Maximizing the hospitality management student work placement experience: A case study. *Education and Training*, 37, 13-17.
- Mihail, D.M., (2006). Internship at Greek Universities: An exploratory study. *Journal of Workplace Learning*, 18, 28-41.
- Mounce, P. H, Mauldin, D.S., & Braun, R. L. (2004). The importance of relevant practical experience among accounting faculty: An empirical analysis of student' perceptions. *Issues in Accounting Education*, 4.
- Nevett, T. (1985). Work experience: The essential ingredient in British programs. *Journal of Marketing Education*, 7, 13-18.
- Pasewark, W.R., Strawser, J. & Wilkerson, J. Jr. (1989). An empirical examination of the effects of previous internship on interviewing success. *Journal of Accounting Education*, spring, 25-40.
- Ricks, F. A., Ney, T., Branton, G. R., Cut, J., Loken, M., & Van Gyn, G.H. (1989). A critique of cooperative education literature. *Review of Educational Research*.