

Evaluation of the Employment of Accounting Graduates: The Case of Hanoi, Vietnam

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This study was conducted in order to identify, evaluate, and measure the attributes of employment of accounting graduates in Hanoi, Vietnam. The study was based on a field survey, using a semi-structured questionnaire with a sample of 300 accounting graduates working for listed firms in the area of Hanoi, Vietnam. Only 255 filled questionnaires were satisfactory and processed in this research. We employed several statistical analytical tools, i.e. descriptive statistics, Cronbach's Alpha analysis and ANOVA. The study has identified and measured five attributes of employment of accounting graduates. Based on the findings, some recommendations are given for accounting students, accountants and universities to improve the employment of accounting graduates.

Key words: *Employment, Accounting graduates, Accountants.*

JEL Codes: M14, M41, O15

Introduction

Seeking jobs after graduation is an emerging issue for students, their families, universities and society. In recent years, looking for work is a difficult problem for students after graduation. Having a job matching with the training courses is always the desire of both graduates and undergraduates (Nguyen, 2018). Employment after graduation also captures the attention of many people, especially the young people who have just left their colleges (Than, 2015).

Currently, accounting is one of the social professions in need of a large number of human

resources. Every business, operating in all areas, needs accounting. Therefore, the job opportunities for bachelor of accounting are quite high. However, there is still a situation where graduates from Hanoi universities find it difficult to get a job that is not in the same major of their degree. What are the jobs of accounting graduates like? How about the income? What is the career path for them? Those questions need to be clarified. Therefore, evaluating, analysing and measuring the situation of employment of accounting graduates in Hanoi, Vietnam is necessary.

Based on the above arguments, the main objective of this study was to identify, evaluate and measure the attributes of employment of accounting graduates in Hanoi, Vietnam, and its analysis and findings are presented and discussed in this paper. In the final section of this paper, based on the findings, some recommendations are given for accounting students, accountants and universities to improve the employment of accounting graduates.

Literature Review

According to Than (2015), there are many difficulties for newly graduated students in finding stable jobs. With college and university degrees, many students cannot find stable jobs. Many students in the countryside accept work in a temporary job in the city, to earn their living before applying for a stable job. The work they do mostly does not require a degree or certificate, such as waitressing, tutoring. Although the wages they receive are not enough, getting a job like that is not easy.

Phan & Nguyen (2016), surveyed 168 International Business (IB) students graduating from 2011 to June 2015 in Can Tho University, Vietnam. The research results reveal that after graduating, there are 74.4% of students who get jobs, 7.1% go on to master courses and 18.5% have no jobs. The authors claim that there is a connection between getting the jobs and Bachelor of International Business results when graduating, as students with good results tend to find it easier to get a job than their counterparts who achieved lower results.

Tran (2017) gave an overview of the ASEAN Economic Community (AEC) and AEC's challenges to Vietnamese human resources, especially university and college-level human resources. The author argues that, for employees graduating from university and college in Vietnam, the biggest challenge is that job opportunities are competed for by foreign workers. The author offers a number of solutions on the universities' side and on the student's side to improve the quality of training sessions that meet the common standards of AEC, capable of integration and a high degree of competitiveness for employment.

Vuong (2017) conducted a study on employment for young Vietnamese, including bachelor graduates. According to the survey results: Vietnam currently has about 24 million young

people (about 44% of the labour force), however, the unemployment rate in this group is three times higher than the national average. Unemployment among young people aged 15 to 24 years accounted for 51.3% of total unemployment. The youth unemployment rate nationwide is 7.67 % and especially high in urban areas, with 11.95%, meaning 12 out of every 100 young people in the labour force will be unemployed. Vuong mentions that students who do not think about seeking a job or starting a business are making the country fall behind, and lose the momentum to develop; many bachelor graduates working in enterprises still have to be trained because the quality of university training, even after graduation, is not commensurate with requirements. In many cases, students who hold a bachelor's degree think that they must have a position with a high salary and a light workload; they lack skills such as negotiation skills and teamwork. Other skills of Vietnamese students, such as English proficiency, hard work, eagerness to learn, dynamism, good communication, basic knowledge of computers, honesty, responsibility and ability to work under high pressure, are limited.

In recent years, finding jobs has become more and more difficult due to many reasons, including difficulties in the situation of production and business activities, so that demand for labour recruitment is narrowed down. For state agencies and organisations, the demand for recruiting civil servants and public officials is becoming more and more demanding in terms of quality and there are places in excess of quantity. Not only for non-public universities, but even graduates from reputable public universities do not have jobs. Another reason is that the increase in the number of training institutions (colleges and universities) has led to an increasing number of students being trained in the same majors, which leads to oversupply. Subjectively, getting a job or not has a lot to do with the qualities, competencies, qualifications and skills of the trainees. In fact, the number of candidates joining the labour market every year is quite large, but the number of people who meet the requirements of employers is very limited. Facing these challenges, training institutions and students themselves must have a new perspective on employment after graduation (Nguyen, 2017).

According to Ha (2018), the majority of workers and employers have not paid adequate attention to ensuring occupational safety and health while working. If this situation is not soon overcome, it will have serious consequences for workers, families and society. According to the author, Industrial Revolution 4.0 is taking place strongly and in addition to professional qualifications and skills, workers need good health and good spirits to master machinery and scientific technology.

Currently, there are many ways to support businesses and for businesses and workers to find each other, from professional recruitment websites to social networks, forums and groups on the internet. However, to "find the right job" and "finding the right people" is still quite difficult (Nguyen, 2018). On the basis of generalising and clarifying the real situation of

employment of graduate students, the author proposes a number of measures to help graduate students find suitable jobs and meet the needs of the recruitment agencies.

The above studies have researched the employment of graduates such as international business graduates and technical graduates. Surprisingly, in the area of Hanoi, Vietnam, the topic of graduate employment has become a hot issue and needs to be investigated.

Research Methodology

The subject of this research is accounting students who have graduated from universities in the area of the Hanoi capital of Vietnam.

This research used a qualitative research methodology based on some in-depth interviews with three lecturers with extensive experience in accounting at the National Economics University and the University of Labour and Social Affairs, Vietnam. These are the two leading universities in Vietnam in training accountants, every year, there are thousands of graduate accounting students. At the same time, three experts were also interviewed who are chief accountants in Hanoi. The interviewed experts are knowledgeable and have extensive experience in the employment of accounting graduates. The contents of the interviews focused on the subject of employment, considering accounting graduate's attributes.

Based on findings from a number of studies conducted by Than (2015), Phan & Nguyen (2016), Tran (2017), Vuong (2017), Nguyen (2017), Ha (2018), Nguyen (2018) and their findings from the interviews with those experts, this research has identified five attributes applicable to the employment of accounting graduates (EAG) as presented below.

Table 1: Description of employment of accounting graduates (EAG)

Code	Scale	Sources
EAG1	The proportion of employed students	Than (2015), Phan & Nguyen, Tran (2017), Vuong (2017), Nguyen (2017), Nguyen (2018)
EAG2	The proportion of students doing the right major	Than (2015), Vuong (2017), Nguyen (2018)
EAG3	Average income	Than (2015), Vuong (2017), Expert's agree
EAG4	Opportunities for training and promotion	Vuong (2017), Expert's agree
EAG5	Working conditions of safety and health	Vuong (2017), Ha (2018), Expert's agree

For the purpose of this research, a questionnaire was designed which consisted of five (5) variables with a 5-point Likert scale from 1: “Strongly disagree” to 5: “Strongly agree.” The method of data collection was accomplished through the survey with a number of accounting graduates in Hanoi, Vietnam. A total of 300 questionnaires were sent and received; the filled questionnaires with full information for data entry and analysis from 255 respondents. The size of this sample was consistent with the study of Hair et al. (1998), that the research sample must be at least five times the total number of indicators in the scales. The questionnaire of this study included five indicators, and therefore, the minimum sample size to be achieved is $5 * 5 = 25$ observations. Then, data from these 255 questionnaires were cleaned and coded with the necessary information in the questionnaires, input was analysed by using SPSS 22. Then we used (i) Descriptive statistics, (ii) Cronbach's Alpha to assess the reliability of the scale, and (iii) ANOVA.

Research Results

Descriptive Statistics

Information collated from the data collected is shown in Table 1. It shows that among the 255 respondents, about 80.4% were respondents working in listed firms, about 11.4% were respondents working in state agencies, while the remaining 21 (8.2%) were respondents working in the informal sector.

Data in Table 1 shows that among the 255 respondents, other positions accounted for 18.8%, accounting staff accounted for 45.1%, general accounting made up 27.8%, while the remaining 21 were chief accountants, accounting for 8.2%. Of these, respondents for less than 1 year was 83, accounting for 32.5%, over 3 years accounted for 22.8%, while the remaining 114 were from 1 to 3 years, accounting for 44.7%.

Table 1: Respondents by work place, jobs and experience

	Frequency	Percent	Cumulative Percent
Work place			
Firms	205	80.4	80.4
State agencies	29	11.4	91.8
Informal sector	21	8.2	100.0
By Jobs			
Other positions	48	18.8	18.8
Accounting staff	115	45.1	63.9
General accounting	71	27.8	91.8
Chief accountant	21	8.2	100.0
By Experience			
Less than 1 year	83	32.5	32.5
Over 3 years	58	22.7	55.3
From 1 to 3 years	114	44.7	100.0
Total	255	100.0	

Next, Table 2 indicates that the respondents agree with the dependent variables of “employment of accounting graduates,” where five (5) attributes were quite high, with an average of 3.901 compared with the highest of the Likert 5-point scale. All these five (5) attributes were rated at an average of 3.824 or higher.

Table 2: Descriptive analysis of attributes for employment of accounting graduates

	n	Min	Max	Mean	Std. Deviation
EAG1	255	2.0	5.0	3.863	.7991
EAG2	255	1.0	5.0	3.922	.7947
EAG3	255	2.0	5.0	4.020	.6350
EAG4	255	2.0	5.0	3.878	.8114
EAG5	255	2.0	5.0	3.824	.7813
Valid N (listwise)	255			3.901	

Cronbach’s Alpha

The employment of accounting graduates has been measured by the Cronbach's Alpha. The results of testing Cronbach’s alpha of attributes are presented in Table 3 below. The results also show that attributes of the dependent variables have Cronbach's Alpha coefficients that are greater than 0.6, and the correlation coefficients of all attributes are greater than 0.3. So, all the attributes of the dependent variables are statistically significant (Hair et al., 2009, Hoang and Chu, 2008).

Table 3: Results of Cronbach's alpha testing of attributes

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
EAG1	11.624	3.543	.523	.695
EAG2	11.565	3.577	.514	.700
EAG3	11.525	3.398	.506	.644
EAG4	11.608	3.365	.581	.662
EAG5	11.663	3.563	.536	.688

ANOVA Analysis

Table 4: Test of Homogeneity of Variances

EAG

Levene	df1	df2	Sig.
<i>Type of work place of the survey object</i>			
1.800	2	252	.167
<i>Job position of the surveyed object</i>			
1.694	3	251	.169

Table 5: ANOVA

EAG

	Sum of Squares	Df	Mean Square	F	Sig.
<i>Type of work place</i>					
Between Groups	2.233	2	1.116	3.157	.044
Within Groups	89.124	252	.354		
Total	91.356	254			
<i>Job position</i>					
Between Groups	1.699	3	.566	1.585	.193
Within Groups	89.658	251	.357		
Total	91.356	254			

Type of Work Place

The ANOVA test was needed to make a comparison of the results of the evaluation of employment of accounting graduates between the three subjects including firms, state agencies and the informal sector. Table 4 shows that the Sig Levene Statistic of 0.167 is more than 0.05, which means that the hypothesis of homogeneity variance among the variable value groups (different work place) has not been violated. Table 5 shows that, Sig. = 0.044 is

less than 0.05, which indicates that there is, statistically, a significant difference in the level of employment of accounting graduates between the mentioned three groups of work place (Hair et al. 2009; Hoang and Chu, 2008).

Job Position

The ANOVA test was needed to make a comparison of the results of the evaluation of employment of accounting graduates between the four (4) subjects including accounting staff, general accounting, chief accountant and other positions. Table 4 shows that the Sig Levene Statistic of 0.169 is more than 0.05, which means that the hypothesis of homogeneity variance among the variable value groups (different job position) has not been violated. Table 5 shows that, Sig. = 0.193 is more than 0.05, which indicates that there is no statistically significant difference in the level of employment of accounting graduates between the mentioned four groups of job position (Hair et al. 2009; Hoang and Chu, 2008).

Discussion

The Proportion of Employed Graduates

Results of the survey showed that among the 255 respondents, respondents applying for a job through an acquaintance accounted for 25.1%, respondents applying for a job under advertisement accounted for 44.7%, respondents applying for a job via Introduction centre accounted for 24.3%, while the remaining 15% were respondents applying for a job under to set up work, accounting for 5.9%. Of these, respondents with a job for less than six months was 100, accounting for 39.2%, go do update accounted for 43.1%, more than one year accounted for 6.7%, while the remaining 28, were from six months to one year, accounting for 11.0%.

Thus, accounting graduates apply for jobs relatively quickly, even alumni get jobs before graduation because they are introduced to potential employers by friends and relatives. However, the proportion of alumni who were able to find jobs for six months or more is still high (17.7%), probably due to the accounting profession requiring work experience and the students themselves waiting for opportunities to find a suitable job.

With the volatility of the economy, enterprises in general, small and medium-sized enterprises in particular, official fee-paying businesses, etc dissolve and go bankrupt, so that many job opportunities for accounting students after graduation are narrowed down. However, the survey results show that the employment of accounting students after graduating is positive. Students employed accounted for approximately 83.3%; the remaining unable to find jobs accounted for 16.7%. Among the alumni out of work included: (i) Number of alumni did not

find a job, (ii) Number of alumni attending the MA or for personal reasons refuse to work. Thus, the proportion of alumni who were not able to find jobs makes up less than 16.7%. According to the number of years of graduation, the number of alumni who were not able to find a job focuses on newly graduated courses from one to two years, this is also appropriate. However, there were still students who hadn't found a job three years after graduation.

The Proportion of Graduates Working in the Same Field

Results of the survey show that the proportion of graduates working in their major job is the highest (81.2 % - Table 1), the proportion of counterparts who have not found the right job is 18.8%. According to the statistics of the Ministry of Labor, Invalids and Social Affairs, the proportion of students working in the wrong field of training in recent years accounts for about 50 % - 60%.

Accounting staff is the position occupying the highest proportion in the job positions, 45.1 %. This is a basic position which is suitable for alumni with training and work experience of less than three years. Some positions are rated higher, such as general accountant, chief accountant with 36.1%. This also recognises the effort and ability of individuals at work.

There are many reasons why alumni accept jobs that are not suitable for their majors, but the main reason is that they cannot find suitable jobs for their major. When not working in the right major, they cannot use their specialised knowledge at work, which then certainly make the current job unstable and costly in the learning process. Although the rate of alumni without jobs is quite low, the rate of alumni who accept work in the wrong field, leads to the increase in the manifestation of potential unemployment and increased unemployment rate. The number of unemployed accounting graduates plus the number of employed but not working in their right major is alarming. Besides the reason that alumni cannot find suitable jobs, the other reasons seem to be very positive; that the current job promotes the capacity, forte with an attractive salary, etc. Taking bank staff as an example, this position requires alumni to supplement their knowledge of financial and banking accounting to meet the assigned work. These are relatively sustainable factors because alumni do the things they love and prove themselves to perform competently.

Average Income

Results of the survey showed that average monthly income of accounting alumni less than 4.5 million Vietnamese dong (VND) accounted for 13.3%; from 4.5 to 6.75 million, accounted for 38.8%; from 6.75 to 10 million VND accounted for 23.1% and more than 10 million VND accounted for 24.7%.

The income of alumni is around 4.5-6.75 million VND per month. This income is suitable for new graduates and is the average income of the Vietnamese. The income level of less than 4.5 million VND is still high, accounting for 13.3 %, which proves that many alumni accept work with a low income to get a job and learn from the experience. However, some students have income in this range due to working in administrative agencies where income is paid according to the salary scale prescribed by the State, not based on the regional minimum wage. A high-income ratio (more than 10 million VND) focuses on FDI firms or general accounting and chief accountant positions. The average income reflects the social price of products from universities through the price of labour. There have been alumni working for FDI firms, which shows that students are constantly improving their expertise and foreign languages, keeping up with the integration trend of the economy.

Opportunities for Training and Promotion

The majority of graduates are trained by the agency for professional knowledge and soft skills. The retraining comes from the unique requirements of each unit.

Since graduation, the number of alumni who get a job and have a long-term attachment to that job is limited, so the job transfer situation is common. Job transfer can be the culprit of not meeting the requirements of units, but also of workers themselves who do not have many opportunities to take training and advancement jobs. The characteristics of the accounting profession are such that accepting work in organisations, despite low incomes, but the working environment being suitable for those whose majors lead to training and promotion opportunities is still the choice of many alumni. Alumni are supposed to work in a temporary job for a few years to gain experience, to find other, better opportunities. Job transfers are also easy to understand, because alumni, after gaining experience, will find better job opportunities for advancement.

Working Conditions of Safety and Health

Accounting alumni mainly work in firms of many different types, such as limited liability companies, joint-stock companies, private enterprises, Foreign Direct Investment firms (FDI firms), (accounting for 80% - Table 1), the rest are in State agencies and the informal sector. In the trend of international economic integration, Vietnam has been attracting many FDI firms. Former students have opportunities to work in a dynamic environment, having a better income, guaranteed work safety, and learning about management at these businesses. However, the big challenge is the foreign language and information technology level.

Therefore, the assessment of working conditions depends on other factors, such as working

environment, stability, job interests, job satisfaction.

Results of the survey showed that among the 255 respondents, of which 156 indicated satisfaction with the job, accounted for 61.2%; 40 with less satisfaction with the job, accounted for 15.7%, Full satisfaction accounted for 23.1%.

The level of job satisfaction of alumni is quite high (over 61.2 %). Job satisfaction can be derived from enjoying the work, attractive income, the position helping them to assert themselves, or working environments. The level of job satisfaction is appropriate, because alumni can find jobs that promote their forte, competence and specialty. When comparing job satisfaction with the level of income earned, the majority of high-income alumni show job satisfaction. And the least satisfied number tend to be at low income.

Recommendations

Based on the results, some recommendations are given in order to improve the postgraduate employment of accounting students. These recommendations focus on (i) universities and (ii) accounting graduates and accounting students.

Recommendations for Universities

Universities need to pay attention to job orientation for students through connecting with businesses in the training process: (i) Strengthening connection with the business community, professional organisations, institutions of labour and employment agencies; (ii) Organising job fairs for students; (iii) Organising seminars on the accounting profession. Through these programs, students will learn about the working environment, the work of accountants, the recruitment needs of businesses and the necessary skills when applying for jobs.

Universities need to renovate and complete accounting training programs as soon as possible: (i) Supplement and enhance practical and extra-curricular hours; (ii) Enhancing learning hours to support students at the end of the training course about working environment of enterprises; (iii), Teaching accounting subjects that are better matched with reality, meeting the needs of employers; (iv) Build an experimental working environment for accounting students to access; (v) Regularly update curriculums.

Universities need to renovate and improve the teaching methods: (i) Complete learner-centred methods; (ii) Innovate teaching accounting at the university level in line with the approach of International Financial Reporting Standards (IFRS).



Recommendations for Accounting Graduates and Accounting Students

Students need to further improve their independent working and teamwork skills; communication skills, improve their language skills; strengthen skills in using computers and information technology applications; their planning skills and have a creative mind at work. (Do et al. 2019).

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