

Academic achievement and CPA licensure examination performance of the University of the Assumption graduates from 2013 to 2015

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Abstract

This research was conducted to determine if there is a significant relationship between academic achievement and the CPA Licensure Examination performance. The results of the study would assist the College of Accountancy in assessing its current retention policy and planning of possible interventions that may be prescribed to improve the passing rate of the University in the CPA Licensure Examination. The graduates of the BS Accountancy program (2013-2015) who were considered as first takers of the October CPA licensure exams were chosen as the respondents of the study. Their grades in the board-related courses were compared with their board ratings in order to determine any correlation. This research utilized correlation analysis – the determination of Pearson Product-Moment Coefficient and the p-value. Frequencies and means were also used to describe other possible attributes related to the study. It was discovered that academic achievement has a significant positive correlation with the CPA Licensure Examination performance. Ascertaining that there is a significant positive relationship between academic achievement and performance in the licensure examination poses a challenge to the academe, particularly to the professors, to be more objective in assessing academic achievements, lest students will be given false hopes that because they obtained above passing grades in the undergraduate, they can successfully hurdle the licensure examination. On one hand, because of the current trend in outcomes-based education, there are more performance-based outputs required from students so rubrics to objectively evaluate and assess these outcomes must be devised in order to come up with grades that would faithfully represent the students' knowledge and skills. Future studies may be undertaken to determine other possible factors that could contribute to the success of an Accountancy student in the CPA Licensure Examination.

Key terms: academic achievement, licensure examination

INTRODUCTION

Accountancy, which is often considered as the language of business, is one of the professions that will feel the greatest impact of globalization. Yew (2012) stated that the shifting social and economic environment will have serious implications on businesses and the accountancy profession. Market volatility, economic uncertainty, political transitions, advances in science and technology and innovations in business models are but a few of the challenges that accountants must contend with in responding to the emergent needs of businesses in the coming years. In the ASEAN region, the establishment of the ASEAN Economic Community (AEC) paves the way for regional mobility for accountants through the Mutual Recognition Arrangement (MRA) on Accountancy Services. Heathcote (2014) of the Association of Chartered Certified Accountants (ACCA) said: "The ten member countries of the AEC have a total population of 626 million and a combined GDP of USD 2.4 trillion. The GDP for the region is expected to double by 2020, according to the Boston Consulting Group. As such, this large-scale economic plan depends on capacity building. ACCA, with its partners across this wide region, all work to ensure the talent pipeline for accountants remains strong and well supplied." Therefore, it is imperative that for an economy to be able to compete and cooperate successfully in this emerging market, it needs to put its best foot forward in terms of supplying highly skilled and professional service providers.

The Philippine government is optimistic about the readiness of the country to compete and collaborate with her ASEAN neighbors. According to the Department of Trade and Industry (DTI) Secretary Gregory Domingo (2015), based on the projections by HSBC and Goldman-Sachs, the Philippines will be ranked as the 14th largest economy in the world, the 5th largest economy in Asia and the largest economy in the Southeast Asian Region by 2050. He also added that there is a possibility that the country would even surpass other ASEAN countries if efforts are expended to improve the competitiveness and capability of various local industries. As of August 2013, the DTI claims that the Philippines has already reached 87.2% of the targets in the Scorecard that is integrated in the AEC Blueprint. However, there is a need to increase the pace in terms of growth because based on the ASEAN Integration Report 2015, the relatively slower regional output growth in 2014 was mainly attributable to the lower growth by most of the larger economies in the ASEAN (Indonesia, the Philippines, Singapore and Thailand) while Malaysia, Myanmar and Vietnam recorded higher growth rates in 2014 compared to 2013. The same report also

shows the services sector has become a key driver of regional output growth because it manifested a consistently increasing share in the regional GDP. Services rose to 50.2% in 2014 from 49.8% in 2013. Indeed, in the services sector, there is abundant potential waiting to be harnessed. The AEC is but a tip of the iceberg, so to speak. In western countries, the ageing population would eventually require fresh workforce to sustain their economies. This would provide limitless opportunities for professionals, particularly accountants, in the coming years. Filipino accountants must break through the local barriers and respond to the call for competition and cooperation not only in the AEC, but also across the globe.

The gateway to these opportunities for accountants is to gain regional recognition from international professional institutions. Charron and Lowe (2009) stated that the Certified Public Accountant (CPA) designation has been the hallmark of the accounting profession. Completing an accredited or recognized accountancy program and having been assessed within their own country as eligible for professional accountancy practice are the first crucial steps towards becoming ASEAN Chartered Accountants as provided for in the (MRA) on Accountancy Services. Passing the Licensure Examination for Certified Public Accountants is the entry point to participating in the regional economic integration. In the Philippines, the law governing the practice of Accountancy is Republic Act No. 9298 (RA 9298) which is known as the Philippine Accountancy Act of 2004. This law has mandated the Professional Regulatory Board of Accountancy, hereinafter referred to as the Board, under the supervision and administrative control of the Professional Regulation Commission, to oversee the practice of Accountancy in the Philippines. RA 9298 enumerates the following subjects in the licensure examination: (a) Theory of Accounts (TOA) (b) Business Law and Taxation (BLT) (c) Management Services (MS) (d) Auditing Theory (AT) (e) Auditing Problems (AP) (f) Practical Accounting Problems I (P1) (g) Practical Accounting Problems II (P2). To pass this examination, a candidate must obtain a general average of seventy-five percent (75%), with no grade lower than sixty-five percent (65%) in any given subject. A candidate who obtains a rating of seventy-five (75%) and above in at least a majority of the aforementioned subjects shall receive a conditional credit for the subjects passed. The candidate, however, shall take an examination in the remaining subjects within two years from the preceding examination. If the candidate fails to obtain at least a general average of seventy-five percent (75%) and a rating of at least sixty-five percent (65%) in each of the subjects re-examined, he/she shall be considered as failed in the entire examination. The

examination is conducted twice a year in the Philippines, one in May and another one in October.

Pyakurel (2014) wrote that the claim for quality education must be matched by the graduates passing the professional certification examination and successfully entering the job market and that universities that are unable and unwilling to supply graduates whose skills can be verifiable would be considered poor in quality and will soon be forced out of the market. This is a challenge that each unit of the Philippines' higher education system must face head on. This is precisely the reason why higher education institutions (HEIs) submit to accreditation for quality assurance.

Accreditation, as defined by the Philippine Accrediting Association of Schools, Colleges and Universities (PAASCU) is a:

1. Concept based on self-regulation which focuses on evaluation and the continuing improvement of educational quality;
2. Process by which institutions or programs continuously upgrade their educational quality and services through self-evaluation and the judgment of peers;
3. Status granted to an educational institution or program which meets commonly accepted standards of quality or excellence.

For programs with licensure examinations, one of the requirements for accreditation is for the HEI's passing rate to be at least at par with the national passing percentage. The national passing percentage has an average of 40.40% over a ten-year period (2006-2015). This roughly translates to only four out of ten examinees who can pass the CPA exam. This supports the statement of Abrugar (2009) as cited in Sagarino and Corpuz (2011) and Bala (2008), as cited in Ballado-Tan (2014), that the CPA board exam is one of the most difficult government licensure examinations in the Philippines in terms of the low national passing rates as compared to other government licensure examinations. Difficult or not, the fact remains that the performance in the licensure examination serves as a barometer that gauges the quality of education that the graduates acquired in a particular school (Ballado-Tan, 2014). In 1998, Schick wrote that undergraduate education in accounting should be evaluated, in part, based on graduates' performance in the CPA examination. In recent years, with the implementation of outcomes-based education, higher education institutions are more challenged to provide quality education that would produce graduates who can pass the licensure examination as soon as

possible. This is supported by the study of Singer and Wiesner (2013) as they declared that the primary focus and intent should be to provide students with the necessary skill sets and basic capabilities required to ensure their success in the profession. There are many factors that can determine the success of students in the licensure examination. Titard and Russel (1989) wrote that it is possible to identify significant differences and to analyze factors that provide at least partial explanations for these differences.

Related studies have been conducted in the pursuit of this goal. Kapoor et al. (1992) suggested that specific attention to GPA in accounting and credit hours in general education should result in better counselling of potential candidates to sit for the Uniform Final Examination (UFE). Gonzales et al. (2000) discovered that there is low positive correlation in Taxation and Auditing Practice while moderately positive correlation exists for Business Law, Management Services, Auditing Theory, Practical Accounting 1 and Practical Accounting 2. According to Hampton, et al. (2003), *"In our study and several of the cited studies related to the CPA Exam, both grade point average and advanced degrees are positively associated with exam success."* Sicut (2003) was able to determine that there was a strong linear relationship between the scholastic achievement and board examination ratings among student nurses. Evans et al. (2003) were able to determine that students at Oklahoma State University College of Osteopathic Medicine (OSU-COM) taking the Comprehensive Osteopathic Medical Licensing Examination-USA (COMLEX-USA) level 2 for the first time had significant correlations between performance on this examination and academic performance.

Howell and Heshizer (2008) stated that potential CPAs who have high GPAs would be expected to have a greater understanding of accounting that would in and of itself better prepare them for the CPA exam. GPA is an indication of success on tests during a student's college career, so high GPA would be expected to correlate with fewer attempts to pass the CPA exam. They further stated that the results of their study support the line of reasoning: effort in school as reflected by GPA is associated with success on the CPA exam. The study of Sagarino and Corpuz (2011) utilized the Pearson r correlation coefficient to establish the relationship between each of the academic performance and mock board to the board examination. Their study suggests that there is a significant relationship between academic performance and board examination. The findings of Pachejo and Allaga (2013) that academic average correlates positively with the ratings of LET coincides with the

findings of Menecio (2002) as cited in the former's study, that the academic performance of accounting graduates had a positive relationship in the CPA board examination. They also cited Balmeo (2003) referring to grade as a concrete measure that quantifies student's level of learning. They further stated that grades also present a clear picture on how far student's performance and achievement have reached a required standard. Generally, good academic performance, positive attitude and effective study habits give an assurance of passing the CPA board examination. (Ballado-Tan, 2014). Ballado-Tan (2015) investigated the relationship of curriculum, program of studies, instruction, admission and retention, administrative support to instruction and physical facilities and resources with the performance of graduates in the CPA licensure examination. She also wrote that research-based innovative and continuous intervention programs must be undertaken to improve the graduates' performance in the CPA Board examination. It is in this context that the researcher has decided to undertake this study. For several years, the BS Accountancy program of the University of the Assumption (UA) has struggled to surpass the National Passing Percentage of the Licensure Examination for Certified Public Accountants (CPAs). UA has an average passing rate of 31.37% in the October examinations compared to the national passing percentage average of 40.40% over a ten-year period (2006 to 2015). This is the major impediment towards achieving the accreditation goal of the BS Accountancy program. This study intends to initiate the identification of factors that could contribute to the achievement of greater competitive advantage for Accountancy graduates. It also aims to provide a basis for possible interventions that could be made in order to improve the passing percentage of the University in the CPA Licensure Examination.

The study aims to determine the: 1.) Respondents' academic achievement in the Board-related courses, 2.) Respondents' performance in the Licensure Examination for CPAs and the relationship between the respondents' academic achievement and their subject ratings in the Licensure Examination for CPAs.

The study will be guided by the hypothesis that there is no significant relationship between the respondents' academic achievement and licensure examination performance in the following board subjects: 1.) Theory of Accounts (TOA), 2.) Business Law and Taxation (BLT) 3.) Management Services (MS), 4.) Auditing Theory (AT), 5.) Auditing Problems (AP), 6.) Practical Accounting Problems 1 (P1) and 7.) Practical Accounting Problems 2 (P2)

This study focuses on the performance of the UA graduates in the October CPA Licensure Examination immediately after graduation because most of the graduates usually take this examination after at least four months of attending review classes. As previously mentioned, about 31% or only three out of ten UA graduates pass the October CPA Licensure Examination. In May 2016, however, UA was able to surpass the national passing rate of 42.91% with its passing rate of 61.54%. The last time the University achieved an above-national passing rate was in October 2011 when it got 50%.

Among the other factors that may contribute to the licensure examination performance, this study will zoom in on its possible relationship with academic achievement. Other factors may be looked into in future researches. Academic achievement pertains to the grades earned by the respondents in the undergraduate courses which are deemed to be related to the board subjects in terms of the prescribed content in the syllabi. The transmutation table utilized by the University is based on 60%. The licensure examination performance is measured in terms of the official ratings in the board subjects as released by the Professional Regulation Commission. Determining whether there is a significant relationship in these two variables would somehow provide a basis in determining some possible interventions that could be made in order to sustain the above-national passing rate of the graduates in the CPA Licensure examination.

METHOD

The study made use of descriptive research design. Data was derived from University records. Correlation analysis was used to measure the strength and the direction of the relationship between two or more quantitative variables (Asaad, 2008). Frequencies and means were also derived to describe the data pertaining to academic achievement and licensure examination performance. The respondents of this study are two hundred twenty (220) first-takers of the October CPA licensure examination in the same year of their graduation (2013 to 2015). Seventy-one (71) are 2013 graduates; sixty-two (62) are from the 2014 batch and eighty-seven (87) are from the 2015 batch. Not all graduates decide to take the examination immediately after graduation. Some chose to apply for work and defer taking the examination until they are financially or psychology prepared to do so.

Table 1
Profile of respondents

Batch	Female				Male				Grand Total	Passing Rate per Batch (%)
	Passed	Failed	Cond.	Sub-total	Passed	Failed	Cond.	Sub-total		
2013	13	29	7	49	9	12	1	22	71	31
2014	14	30	6	50	6	6	0	12	62	32
2015	18	30	13	61	17	7	2	26	87	40
				160				60	220	

The academic achievement of the respondents as reflected in their course grades were derived from the students' database with permission from the Dean of the College of Accountancy. The licensure examination ratings were taken from the Professional Regulation Commission certifications which were previously requested by and filed at the College of Accountancy Office. The data were encoded and processed using the Microsoft Excel's Data Analysis Tool Pak. Specific guidance on the conduct of the study was given by the Director of the Research and Planning Office and the Researcher for Academics. The Pearson correlation matrix will indicate the direction, strength, and significance of the bivariate relationships among all variables that were measured at an interval or ratio level. The correlation is derived by assessing the variations in one variable as another variable also varies (Sekaran & Bougie, 2013). The following table of categorization, as presented by Asaad (2008) is used to interpret the value of the Pearson correlation coefficient (r):

Table 2
Categorization for Pearson correlation coefficient

r	Descriptive Level
+/-1.00	Perfect correlation
between +/-0.75 to +/-0.99	High correlation
between +/-0.51 to +/-0.74	Moderately high correlation
between +/-0.31 to +/-0.50	Moderately low correlation
between +/-0.01 to +/-0.30	Low correlation
0.00	No correlation

The p-value indicates whether the correlation is significant or not. Rumsey (2016) describes the p -value as a number between 0 and 1 and interpreted in the following way: a small p -value (typically ≤ 0.05) indicates strong evidence against the null hypothesis, so the null hypothesis is rejected; large p -value (> 0.05) indicates weak evidence against the null hypothesis, so the null hypothesis is accepted and; p -values very close to the cutoff (0.05) are considered to be marginal.

RESULTS

The respondents' academic achievements in the board-related courses are summarized below. The verbal interpretation is based on the prescribed grading system of the university.

Table 3
University of the Assumption grading system for college students

Course Grade	Description
95-100%	Excellent
93-94%	Very superior
90-92%	Superior
88-89%	Very good
85-87%	Good
83-84%	Very satisfactory
80-82%	Satisfactory
78-79%	Fair
75-77%	Passed
Below 75%	Failed

The mean scores of the respondents in the following courses are described as follows:

Table 4
Mean scores of respondents in the board-related courses

Course Grade	Course Code	Course Title	Mean Score	Description	
93-94	Mgmt12a	Production Management	94.87	Very superior	
	Mgmt15a	Business Policy and Strategy	94.46	Very superior	
90-92	Acc17	Management Consultancy	92.35	Superior	
	Acc10	Management Accounting 1	91.00	Superior	
	Math1c	Quantitative Techniques in Business	90.50	Superior	
88-89	Acc14	Project Feasibility Study	89.65	Very good	
	Tax1	Income Taxation	89.34	Very good	
	Acc9	Cost Accounting and Cost Management	88.57	Very good	
	Acc20	Auditing in a CIS Environment	88.15	Very good	
85-87	Tax2	Business and Transfer Taxes	87.97	Good	
	Acc13	Management Accounting 2	87.76	Good	
	FinMan1	Financial Management 1	87.61	Good	
	Acc8	Accounting for Government, Non-Profit Organizations and Specialized Industries	87.09	Good	
	FinMan2	Financial Management 2	86.67	Good	
	Acc15	Assurance Principles, Professional Ethics and Good Governance	86.57	Good	
	Eco3	Macroeconomics: Theory and Practice	86.09	Good	
	Law2	Law on Business Organizations	85.83	Good	
	Eco2	Microeconomics: Theory and Practice	85.26	Good	
	Acc3&4	Fundamentals of Accounting 2	85.08	Good	
	Acc7	Financial Accounting and Reporting 3	85.06	Good	
	83-84	Law1	Law on Obligations and Contracts	84.99	Very satisfactory
		Acc1&2	Fundamentals of Accounting 1	84.69	Very satisfactory
		Law4	Sales, Agency, Labor and other Commercial Laws	84.62	Very satisfactory
		Acc6	Financial Accounting and Reporting 2	83.99	Very satisfactory
Law3		Law on Negotiable Instruments	83.64	Very satisfactory	
Acc5		Financial Accounting and Reporting 1	83.30	Very satisfactory	
Eco1		Basic Economics with TLR	83.19	Very satisfactory	
80-82	Acc11	Advance Financial Accounting and Reporting 1 & 2	82.55	Satisfactory	
	Acc16	Advance Financial Accounting and Reporting 3	82.46	Satisfactory	
	Acc18	Applied Auditing	81.26	Satisfactory	

The table shows that the respondents' academic achievement in terms of the average course grades per subject range from being "Satisfactory" to "Very superior".

The following frequency table categorizes the mean scores of the respondents in the board-related courses and indicates the number of respondents who got a passed, failed or conditional rating in the licensure examination:

Table 5

Frequency table of respondents mean scores (academic achievement) and number of respondents who passed, failed or with a conditional rating

Academic Achievement		Licensure Examination Performance			Total	
Course Grades	Description	Passed	Failed	Conditional		
95-100	Excellent	1			1	0.45%
93-94	Very Superior	4			4	1.82%
90-92	Superior	17		2	19	8.64%
88-89	Very Good	20	8	7	35	15.91%
85-87	Good	30	56	16	102	46.36%
83-84	Very Satisfactory	5	40	4	49	22.27%
80-82	Satisfactory		10		10	4.55%
78-79	Fair				0	0.00%
75-77	Passed				0	0.00%
Below 75	Failed				0	0.00%
		77	114	29	220	100.00%
		35%	52%	13%		

A total of 77 out of 220 respondents (35%) passed the licensure examination. Their academic achievement in the board-related courses can be described as "Very satisfactory" to "Excellent". The respondents' ratings per board subject in the Licensure Examination for CPAs are

presented below in terms of the mean, range, minimum and maximum ratings earned by the students:

Table 6

Summary of respondents' performance per subject in the licensure examination

	TOA	BLT	MS	AT	AP	P1	P2
Mean	73.59	69.97	74.43	69.96	71.14	68.10	69.19
Range	61	54	58	58	62	68	63
Minimum	32	37	38	33	33	27	31
Maximum	93	91	96	91	95	95	94

The disparity between the minimum and the maximum grades earned by the 220 respondents is quite intriguing because the minimum score is only about one-third of the maximum score. It is also worth noting that the passing grade in the licensure examination is an average of 75.00 with no grade below 65.00 in any subject. The mean scores of the respondents are below 75.00 but above 65.00. The table suggests that the respondents generally performed best in Management Services followed by Theory of Accounts. The lowest mean score pertains to Practical Accounting Problems 1.

Table 7
Frequency distribution of respondents per average rating in the licensure examination

Average Rating	Number of Respondents			Total	%
	Passed	Failed	Conditional		
88-91	6			6	2.73
84-87	14			14	6.36
80-83	30			30	13.64
76-79	21	2	5	28	12.73
72-75	6	16	22	44	20.00
70-71		19		19	8.64
Below 70		79		79	35.90
	77	116	27	220	100.00

The table above describes the frequency distribution of the respondents' average rating in the licensure examination. The respondents who passed the examination have an average rating of 75 and above.

The undergraduate courses were grouped by the researcher according to the related board or licensure subjects based on the syllabi from the Board of Accountancy.

Table 8
Courses related to the board subject

Board Subject	Courses Related to the Board Subject	
Theory of Accounts (TOA)	Acc 1 & 2	Fundamentals of Accounting 1
	Acc 5	Financial Accounting & Reporting 1
	Acc 6	Financial Accounting & Reporting 2
	Acc 7	Financial Accounting & Reporting 3
Business Law and Taxation (BLT)	Tax 1	Income Taxation
	Tax 2	Business and Transfer Taxes
	Law 1	Obligations and Contracts
	Law 2	Partnership and Corporations
	Law 3	Negotiable Instruments
	Law 4	Agency, Sales and Bailments
Management Services (MS)	Acc 10	Management Accounting 1
	Acc 13	Management Accounting 2
	Acc 14	Project Feasibility Study
	Acc 17	Management Consultancy
	Eco 1	Economics 1
	Eco 2	Economics 2
	Eco 3	Economics 3
	FinMan1	Financial Management 1
	FinMan2	Financial Management 2
	Mgmt 12a	Production Management
	Mgmt 15a	Business Policy and Strategy
	Math 1c	Quantitative Techniques in Business
Auditing Theory (AT)	Acc 15	Assurance Principles
	Acc 20	Auditing in a CIS Environment
Auditing Problems (AP)	Acc 1 & 2	Fundamentals of Accounting 1
	Acc 3&4	Fundamentals of Accounting 2
	Acc 5	Financial Accounting 1
	Acc 6	Financial Accounting 2

	Acc 7	Financial Accounting 3
	Acc 18	Applied Auditing
Practical Accounting Problems 1 (P1)	Acc 1 & 2	Fundamentals of Accounting 1
	Acc 5	Financial Accounting 1
	Acc 6	Financial Accounting 2
	Acc 7	Financial Accounting 3
Practical Accounting Problems 2 (P2)	Acc 3 & 4	Fundamentals of Accounting 2
	Acc 8	Government Accounting & Accounting for Specialized Industries
	Acc 9	Cost Accounting and Cost Management
	Acc 11	Advanced Accounting 1 & 2
	Acc 16	Advanced Accounting 3

The Pearson correlation coefficient and p-values of the aforementioned factors were derived using the Data Analysis ToolPak. The relationship between the respondents' academic achievement and their ratings in the Licensure Examination for CPAs is described as follows:

Table 9
Correlation analysis results per board subject

Subject/Course	r	Descriptive Level	p-value
Theory of Accounts			
Acc1&2	0.34	Moderately low correlation	p < .05
Acc5	0.32	Moderately low correlation	p < .05
Acc6	0.41	Moderately low correlation	p < .05
Acc7	0.17	Low correlation	p < .05
Business Law and Taxation			
Tax1	0.37	Moderately low correlation	p < .05
Tax2	0.36	Moderately low correlation	p < .05
Law1	0.52	Moderately high correlation	p < .05
Law2	0.56	Moderately high correlation	p < .05
Law3	0.61	Moderately high correlation	p < .05
Law4	0.60	Moderately high correlation	p < .05
Management Services			
Acc10	0.69	Moderately high correlation	p < .05
Acc13	0.43	Moderately low correlation	p < .05
Acc14	0.00	No correlation	p > .05
Acc17	0.12	Low correlation	p > .05
Eco1	0.36	Moderately low correlation	p < .05
Eco2	0.23	Low correlation	p < .05
Eco3	0.41	Moderately low correlation	p < .05
FinMan1	0.50	Moderately low correlation	p < .05
FinMan2	0.33	Moderately low correlation	p < .05
Mgmt12a	0.31	Low correlation	p < .05
Mgmt15a	0.50	Moderately low correlation	p < .05
Math1c	0.38	Moderately low correlation	p < .05
Auditing Theory			
Acc15	0.38	Moderately low correlation	p < .05
Acc20	0.51	Moderately high correlation	p < .05

Auditing Problems			
Acc1&2	0.47	Moderately low correlation	p < .05
Acc3&4	0.47	Moderately low correlation	p < .05
Acc5	0.37	Moderately low correlation	p < .05
Acc6	0.43	Moderately low correlation	p < .05
Acc7	0.37	Moderately low correlation	p < .05
Acc18	0.55	Moderately high correlation	p < .05
Practical Accounting 1			
Acc1&2	0.48	Moderately low correlation	p < .05
Acc5	0.48	Moderately low correlation	p < .05
Acc6	0.47	Moderately low correlation	p < .05
Acc7	0.40	Moderately low correlation	p < .05
Practical Accounting 2			
Acc3&4	0.45	Moderately low correlation	p < .05
Acc8	0.19	Low correlation	p < .05
Acc9	0.18	Low correlation	p < .05
Acc11	0.59	Moderately high correlation	p < .05
Acc16	0.49	Moderately low correlation	p < .05

DISCUSSION

Theory of Accounts (TOA)

Courses	r	Descriptive Level	p-value
Acc1 & 2	0.34	Moderately low correlation	p < .05
Acc5	0.32	Moderately low correlation	p < .05
Acc6	0.41	Moderately low correlation	p < .05
Acc7	0.17	Low correlation	p < .05

The table shows that there is a significant positive correlation between the respondents' academic achievement in four courses (Acc 1 & 2, Acc 5, Acc 6 and Acc 7) and the licensure examination rating in Theory of Accounts. A respondent who earned an average of 92 in the

four aforementioned undergraduate courses was able to achieve a rating of 90 in Theory of Accounts while a respondent who got an average academic achievement of 77 in these four courses got a rating of 32 in Theory of Accounts. This indicates that there is a significant positive correlation in academic achievement and licensure examination performance in Theory of Accounts, thus, a rejection of the null hypothesis in this study.

Business Law and Taxation (BLT)

Courses	r	Descriptive Level	p-value
Tax1	0.37	Moderately low correlation	p < .05
Tax2	0.36	Moderately low correlation	p < .05
Law1	0.52	Moderately high correlation	p < .05
Law2	0.56	Moderately high correlation	p < .05
Law3	0.61	Moderately high correlation	p < .05
Law4	0.60	Moderately high correlation	p < .05

The table shows that there is a significant positive relationship between the respondents' academic achievement (Taxation and Law) and the licensure examination rating in Business Law and Taxation. The top scorer in terms of academic achievement has an average of 93 and a board rating of 89 in Business Law and Taxation. The respondent with the lowest average grade in Taxation and Law undergraduate courses (79) had a rating of 57 in Business Law and Taxation. With the p-value being less than the level of significance (.05), the null hypothesis should be rejected. Furthermore, the results indicate that even a satisfactory rating in the undergraduate course does not guarantee a passing mark in the licensure examination.

Management Services (MS)

Courses	r	Descriptive Level	p-value
Acc10	0.69	Moderately high correlation	p < .05
Acc13	0.43	Moderately low correlation	p < .05
Acc14	0.00	No correlation	p > .05
Acc17	0.12	Low correlation	p > .05
Eco1	0.36	Moderately low correlation	p < .05
Eco2	0.23	Low correlation	p < .05
Eco3	0.41	Moderately low correlation	p < .05
FinMan 1	0.50	Moderately low correlation	p < .05
FinMan 2	0.33	Moderately low correlation	p < .05
Mgmt12a	0.31	Low correlation	p < .05
Mgmt15a	0.50	Moderately low correlation	p < .05
Math1c	0.38	Moderately low correlation	p < .05

The table shows that, in general, there is a significant positive relationship between the respondents' academic achievement in the aforementioned courses and the licensure examination rating in Management Services. There is negligible to no correlation in the Acc14 (Project Feasibility Study) grade and Management Services rating. Unlike the other undergraduate board-related courses, Acc14 is primarily collaborative in nature because students work in groups to complete their project feasibility studies. There is a positive correlation in the Acc17 grade and board exam rating but with the p-value > 0.05, this means that the correlation is not significant. This may also be attributed to the fact that this course requires to a certain extent outputs or outcomes derived from collaborative or group work. The respondent who got the highest average in the twelve board-related courses of 97 got a rating of 90 in Management Services while the respondent who got the lowest average in academic achievement of 84 got a rating of 48. The null hypothesis should be rejected.

Auditing Theory (AT)

Courses	r	Descriptive Level	p-value
Acc15	0.38	Moderately low correlation	p < .05
Acc20	0.51	Moderately high correlation	p < .05

There is a significant positive relationship in the academic achievement (Acc15 and Acc20) and board exam rating in Auditing Theory, therefore, the null hypothesis should be rejected. The respondent who was able to achieve an average grade of 95 in the two board-related courses, Assurance Principles and Auditing in a CIS Environment, got a rating of 85 in Auditing Theory in the licensure examination. Another respondent who was able to obtain an average grade of 79 in the same two board-related courses got a failing mark of 54 in Auditing Theory in the licensure examination.

Auditing Problems (AP)

Courses	r	Descriptive Level	p-value
Acc 1 & 2	0.47	Moderately low correlation	p < .05
Acc 3 & 4	0.47	Moderately low correlation	p < .05
Acc 5	0.37	Moderately low correlation	p < .05
Acc 6	0.43	Moderately low correlation	p < .05
Acc 7	0.37	Moderately low correlation	p < .05
Acc 18	0.55	Moderately high correlation	p < .05

There is a significant positive correlation in the respondents' academic achievement in the board-related courses and their performance in Auditing Problems. The respondent with the highest average in the six board-related courses got a score of 94 with a rating of 86 in Auditing Problems. The respondent with the lowest mean score (77) in the same six courses got a failing mark of 40 in the Auditing Problems subject.

Practical Accounting Problems 1 (P1)

Courses	r	Descriptive Level	p-value
Acc 1 & 2	0.48	Moderately low correlation	p < .05
Acc 5	0.48	Moderately low correlation	p < .05
Acc 6	0.47	Moderately low correlation	p < .05
Acc 7	0.40	Moderately low correlation	p < .05

There is a significant positive correlation in the respondents' academic achievement in the board-related courses and their performance in Practical Accounting Problems 1. The respondent with the highest average in the four board-related courses got a score of 94 with a rating of 91 in Practical Accounting Problems 1. The respondent with the lowest mean score of 77 in the same four courses got a failing mark of 27 in the Practical Accounting Problems 1 subject.

Practical Accounting Problems 2 (P2)

Courses	r	Descriptive Level	p-value
Acc3&4	0.45	Moderately low correlation	p < .05
Acc8	0.19	Low correlation	p < .05
Acc9	0.18	Low correlation	p < .05
Acc11	0.59	Moderately high correlation	p < .05
Acc16	0.49	Moderately low correlation	p < .05

There is a significant positive correlation in the respondents' academic achievement in the board-related courses and their performance in Practical Accounting Problems 2. Two respondents got the highest average of 94 in the five board-related courses. One of them got a rating of 94 and the other one got a rating of 91 in Practical Accounting Problems 2. The respondent with the lowest mean score of 78 in the same five courses got a rating of 59 in the Practical Accounting Problems 2. The null hypothesis should be rejected.

Conclusion

The results of this study is consistent with the findings of Gonzales, et al (2000) that generally, there is a significant positive correlation between the academic ratings and the board examination results although the correlation ranges from negligible to moderately high. The correlation is significant at an alpha of .05. The results also confirm the findings of Ballado-Tan (2014), Evans, et al (2003) and Sicut (2003) wherein the academic performance of the student in college is significantly related to performance in the CPA licensure examination. Banez (2002) as cited in Ballado-Tan (2014) stated that if a person has excelled academically, there is a greater chance for him to have a successful performance in the examination. Navarro, Vitamog, Tierra and Gonzalez (2011) wrote that academic performance as the best predictor underscores the importance of the kind of education and training the university provides to its studentry.

Ascertaining that there is a significant positive relationship between academic achievement and performance in the licensure examination poses a challenge to the academe, particularly to the professors, to be more objective in assessing academic achievements, lest students will be given false hopes that because they obtained above passing grades in the undergraduate, they can successfully hurdle the licensure examination. On one hand, because of the current trend in outcomes-based education, there are more performance-based outputs required from students, so rubrics to objectively evaluate and assess these outcomes must be devised in order to come up with grades that would faithfully represent the students' knowledge and skills.

Recommendations

Although there are still other factors that may affect the performance of graduates in the CPA licensure examination, the study suggests that academic achievement plays a significant role in the licensure examination outcome. As with other research works that sought answers yet, at the same time, unearthed more questions, the following challenges and possibilities may be explored in future studies:

1. The identification of other factors that could improve licensure examination performance. Future research undertakings may be dedicated to identifying the other possible variables that would ensure success in the licensure examination performance.

2. The effect of interventions made in the curriculum of the BS Accountancy program.
It was observed that the passing rate per batch increased from 31% to 40% over the three-year period. These three batches shared the same curriculum but the last batch underwent an integrated review from lecturers associated with a reputable CPA review school.
3. The effect of the revised retention policy for the BS Accountancy program. This study confirmed that an undergraduate course grade of 75 is definitely not enough to increase the chance of getting a passing mark in the licensure examination. In fact, some students who are academic awardees have failed to pass the licensure examination in the first attempt. These three batches have a different retention policy wherein they only had to maintain an average of 85 in the board-related courses for each semester. In the new curriculum, the students are required to maintain a grade of 85 per board-related course in order to be retained in the program. However, based on the respondents' performance in the board exams, it would seem that 85 is not even enough to increase the chances of the students to get a passing mark. This may be the subject of another study.
4. The impact of collaborative work in the undergraduate courses to licensure examination performance. The study suggests that courses requiring group work have negligible to low correlation with licensure performance. It should also be considered that passing the licensure examination is not the only goal of academic preparation. Students are also prepared to enter the world of work by allowing them to accomplish tasks or projects collaboratively, but to what extent this should be done without adversely affecting a positive outcome in the licensure examination may be the subject of yet another study.
5. The new challenges faced by the subsequent batches because of the changes in the licensure examination as enforced by the Board of Accountancy. As of May 2016, the passing rate of the University increased to 61.54% which surpassed the national passing rate of 42.91%. The University hopes to sustain this in spite of the changes in the licensure examination coverage that will take effect in the coming years. The Board of Accountancy is in the process of revising some provisions in the Accountancy Law.

The researcher hopes that the findings of this study would somehow be of benefit to the College of Accountancy, the University of the Assumption administrators, regulatory bodies like the Commission on Higher Education and the Board of Accountancy, as well as other researchers who are interested in the search for knowledge that may impact the Filipino youth's competitive edge as future accounting professionals in the dynamically changing globalized and integrated economy.

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