

COMPETENCE EXAMINATION OF FINANCE AND ACCOUNTING STUDENTS – STUDENTS’ POINT OF VIEW

Gábor Süveges 

associate professor, University of Miskolc
3515 Miskolc-Egyetemváros, e-mail: gabor.suveges@uni-miskolc.hu

Mária Várkonyiné Juhász 

associate professor, University of Miskolc
3515 Miskolc-Egyetemváros, e-mail: maria.varkonyine.juhasz@uni-miskolc.hu

Abstract

The purpose of the research is to identify the competencies required of students and to explore the missing competencies in order to improve the content and methodology of financial and accounting training in higher education. In order to fulfill our research goals we examined these surveys and other research reports during our secondary research. After our secondary research we formulated statements about our educational development, which we examined in the second part of the research during our primary research. In the first part of this study, we present the trends that make the competence-based education more and more widespread, and the factors that generate methodological changes in the transfer of knowledge in financial and accounting courses. In the second part, we present the results of our questionnaire research, which contains the students’ opinions.

Keywords: financial and accounting training, competencies, further development

1. Introduction

The purpose of our examination is to identify the competencies that students majoring in finance and accounting need at the various training levels (higher-level vocational training, BA programme and master’s studies).

First of all let’s define what competence means and what the historicity of competence concepts is. There are many concepts of competences, Szabó (2014) compared seventeen concepts and identified the basic characteristics of competences:

- “It a set of skills considered informal,
- It is related to action, enables the completion of tasks; does not exist by itself, regardless of the solution of the problem or the person who solves it,
- it is related to a specific context, a specific situation,
- They affect three families of abilities: knowledge, i.e. generic knowledge material, know-how, i.e. skills and abilities, and the ability to create relationships and/or forms of social behavior,
- these skills are structured and build on each other; together they enable the activity itself, and thus the performance.” (Szabó, 2014: 11)

Henczi (2007) summarized the stages of the history of competence-based human resource management as follows:

1. mechanical specialist (people were treated like machines, the aim was to practice the work mechanically),
2. intelligent professional (aptitude has been linked to the degree of intelligence),
3. a specialist with a personality trait (with the development of psychology, personality trait theories came into focus),
4. motivated professional (alignment of organizational and individual goals, motivational theories),
5. competent professional (the development of the philosophy of competence).

The competency philosophy that appeared in the 1960s helped valuable and effective work. Competence, the defining characteristics of an individual, which ensure competence and appropriate behavior for the performance of a specific activity, are not static, they are constantly changing. The focus is on:

- proficiencies,
- skills,
- intelligence,
- personality traits and
- complexity of motivation. (Szabó, 2014: 11)

2. Literature review

By competency-based education, we mean education that focuses on the development of predetermined competencies, i.e. abilities and skills (Galambos, 2005).

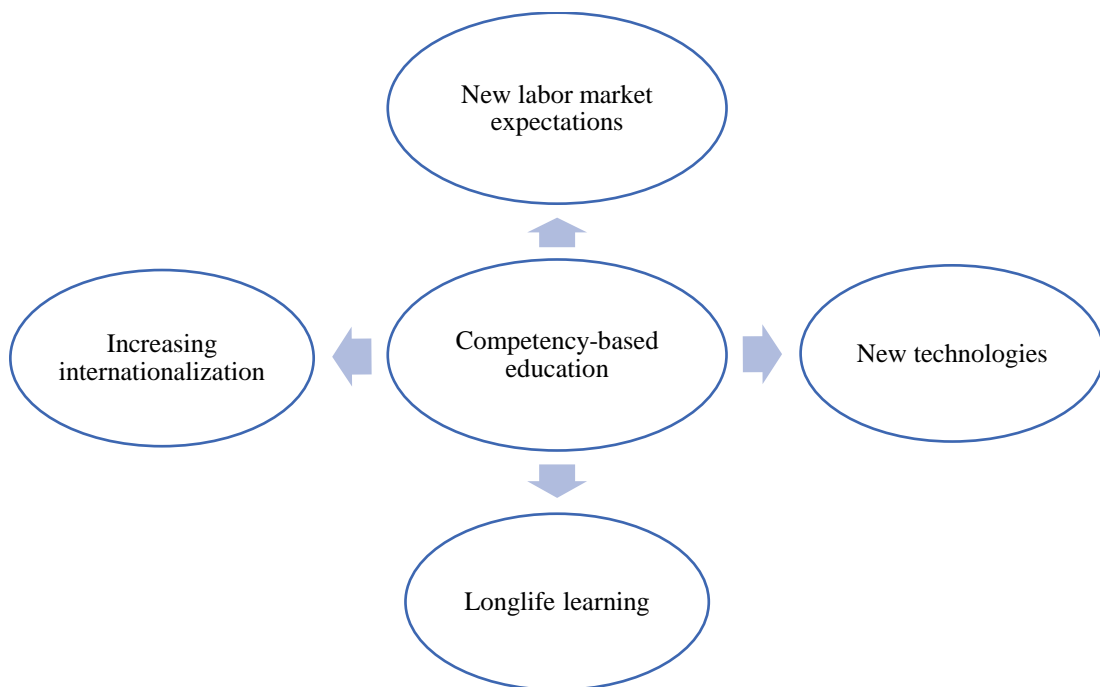


Figure 1. *Tendencies affecting the rise of competence-based education*

Source: Own editing based on Balázsiné Farkas (2017)

This type of knowledge transfer was justified by the trends that have affected the accounting profession in recent times.

- Labor market expectations have been supplemented with new elements such as creativity or initiative. (Kopp, 2013)
- “Industry 4.0”, the emergence of new technologies digitizing financial and accounting processes, must appear in the training system. (According to the report of the World Economic Forum (2018, due to robotization, changes are also expected in the field of financial and accounting professions (the research indicated the application possibilities of humanoid robots in the financial sector, however added that thanks to the classically high level of education, among other things, displaced workers can be reassigned more easily to higher added value positions.)
- Due to the constant changes in rules and legislation observed in the fields of finance and accounting, lifelong learning is a clear requirement. So flexible adaptation and continuous learning skills must also be developed in higher education. (The National Committee of Inquiry into Higher Education, 1997)
- With the strengthening of globalization and the blurring of borders, it is not only necessary to develop language and communication competences, but knowledge of international standards and technologies is also extremely important. (Chen Tien Yiu, 2013)

Education can respond to the above mentioned changes in such a way that, as a result of environmental changes, learning-centered thinking becomes the center of education. (Lengyelne Szilágyi et al., 2022) It serves this purpose:

- on the one hand, providing mentoring and consulting services that help learning, catch-up training and tutoring, the use of modern curriculum compilation techniques and software programs,
- on the other hand, scientific research workshops, colleges for advanced studies, and other scientific student groups. (Udvari-Lakatos, 2005)

Several publications have been published in recent years examining the competences of financial and accounting professionals entering their careers (Hegedűs, 2021; Hegedűs and Pál, 2017; Madarasiné Szirmai and Hegedűs, 2017). Agreeing with the statement of Csiszárík-Kocsir és Garai-Fodor (2018), we also consider that it is important that the transfer of knowledge happens in such a way that the students can consolidate and practice their knowledge even more times, so the utilization of this knowledge may be realized in the shortest possible time.

We accept the opinion of Pál (2021), according to which “the form of education, educational organization solutions, and technology can differ. But if the expected content is correctly formulated and the system of requirements is adequate and controllable, the level of output that meets the needs can be achieved even by following different routes, with the assumption that every affected person – university students, auditor candidates, lecturers, examiners, as well as those who create the rules – will agree.” (Pál, 2021: 109)

In recent years significant steps have been taken regarding financial education, an overview of which can serve as an important basis for the preparation of all kinds of development proposals (Kovács and Pásztor, 2022).

In the starting point of the research of Baranyi and Csernák (2021), we discovered elements similar to our research, since their goal was to modernize their educational methodology in line with the requirements of the time, which can also affect the transformation of the financial approach. In their analysis, they examined how important the participants consider it is to reform the education of finance, how well the theory/practice ratio meets student expectations, and how well the acquired knowledge can

be applied in business life. Among other things, they found that it is extremely important to “move forward with the requirements of the age, to apply new methods as a daily practice, e.g. problem solving, joint processing of case studies, inviting external experts, incorporating field exercises into mid-semester education. Education should be more in line with company practice, in the field of financial education the use of electronic methodologies that assume greater student independence are accepted” (Baranyi and Csernák, 2021: 92).

During the continuation of their research, they determined that content and methodological transformation can be observed also in the field of financial education. On the one hand it is necessary to modernize the content as well as to revise the methodology for the transfer of knowledge. [Of course, this is not only observed in the teaching of financial and accounting skills. Bartha and Sáfrányiné Gubik (2018) report that, according to research, alternative educational solutions achieve in terms of information transfer and surpass traditional methods in all other respects. This is also important because it is increasingly observed on the labor market that one area is not enough comprehensive knowledge, it is necessary to develop social skills.]

In addition to the implementation of high-quality face-to-face education, the application of case studies and situational tasks, as well as the emphasis on group work, appear as important elements (Baranyi et al., 2022).

This is also supported by the findings of Kovács and Nagy (2022), who, based on their research, came to the conclusion that it is more important to understand the connections and their conscious, everyday risks than to know the details of financial products, as this contributes to the development of the financial behavior of young people.

The developments regarding the methodology therefore contribute to the knowledge of the essential connections in addition to the the details. The importance of this is highlighted by the Dual competence needs assessment and prognosis carried out at the University of Miskolc, which sets the goal of encouraging students to solve complex tasks independently (Fodor et al., 2018).

During the analysis of the trainings related to financial culture, Németh (2022) found that educational solutions based on situational tasks and situational exercises appearing in addition to traditional educational methods are suitable for not only imparting knowledge, but also shaping mentality, attitude and financial personality.

Financial education “generates a different level of knowledge for each individual”, as well as “the knowledge acquired during education will be used in different ways for each individual on the level of financial knowledge” (Terták, 2022: 47). This is in line with the practice that financial and accounting knowledge is taught at different levels (higher education vocational training, bachelor’s degree, master’s degree).

During vocational training in higher education, in addition to the transfer of lexical knowledge, the use of knowledge acquisition resources appears as an objective, meanwhile in the master’s program, specific knowledge is also transferred and the graduates will be able to perform consulting tasks in financial and accounting matters.

Most research in the field of accounting education supports the fact that with the appearance of the computer, the tasks, expectations and competencies of the accounting profession have also changed. At large companies computer skills, knowledge of foreign languages, oral and written communication are also extremely important and sought factors. During the examination of competence, it is necessary to examine the different training levels separately. For instance when examining bookkeeping tasks, accounting clerks corresponding to the higher-education vocational training level primarily perform data

processing and control tasks. Meanwhile students who graduated from the bachelor's degree program perform tasks that require accounting knowledge. (Balogh et al., 2021)

3. The aim of the empirical research and the applied methodology

In order to fulfill our research goals, in the first step of our secondary research, we examined surveys and research reports so we could formulate research questions regarding our educational development. We examine these questions during our primary research from the perspective of the students and also the actors of the labor market.

We classified the competences and areas of knowledge to be examined into three groups:

1. Among the competences and knowledge related to obtaining and processing information, we have included knowledge that all economics students should know.
 - a. General accounting knowledge
 - b. Tax knowledge
 - c. Understanding the business environment
 - d. Decision preparation, management consulting
 - e. Leadership skills
 - f. Ability to continuously learn
2. Among profession-specific competences and knowledge, we have included knowledge that no longer needs to be known by all economics students, but it is vital that finance and accounting students can acquire them at the various training levels.
 - a. Knowledge of accounting programs
 - b. Knowledge of special accounting procedures
 - c. Knowledge of preparing consolidated reports
 - d. Knowledge required to fill out tax returns independently
3. Among the competences related to the transmission of information, we have listed those that are essential for all students, since it is not enough to acquire and process information, but also to transmit it in a way that is appropriate for the interested parties.
 - a. Written communication
 - b. Oral communication
 - c. Foreign language communication
 - d. MS Office

During our research, we were interested in how important the target groups of the study consider specific knowledge and competencies during their training. They had to give their answers on a four-point scale:

1. Unnecessary,
2. Rather unnecessary,
3. Rather necessary,
4. Basically necessary.

The data collection took place in March 2023 on the professional day of the Institute of Finance and Accounting, the questionnaire was filled out by 53 specialized students (9 students in Finance and Accounting Higher-education vocational courses and 44 students in Finance and Accounting Undergraduate Studies), 21 male and 32 female students.

4. Results

The first part of our study focused on knowledge and competence related to the acquisition and processing of information. Here we have assigned areas of knowledge that all economics students should know. Of these, the students considered the knowledge of general accounting and general taxation to be the most important, but they also recognized that due to the nature of our profession – continuous changes, especially in the field of taxation – the ability to continuously learn is also necessary. In general, it can be said that more “professional” knowledge (knowledge of taxation and accounting) was given more importance by them than the ability to interpret and analyze the business environment in a general way.

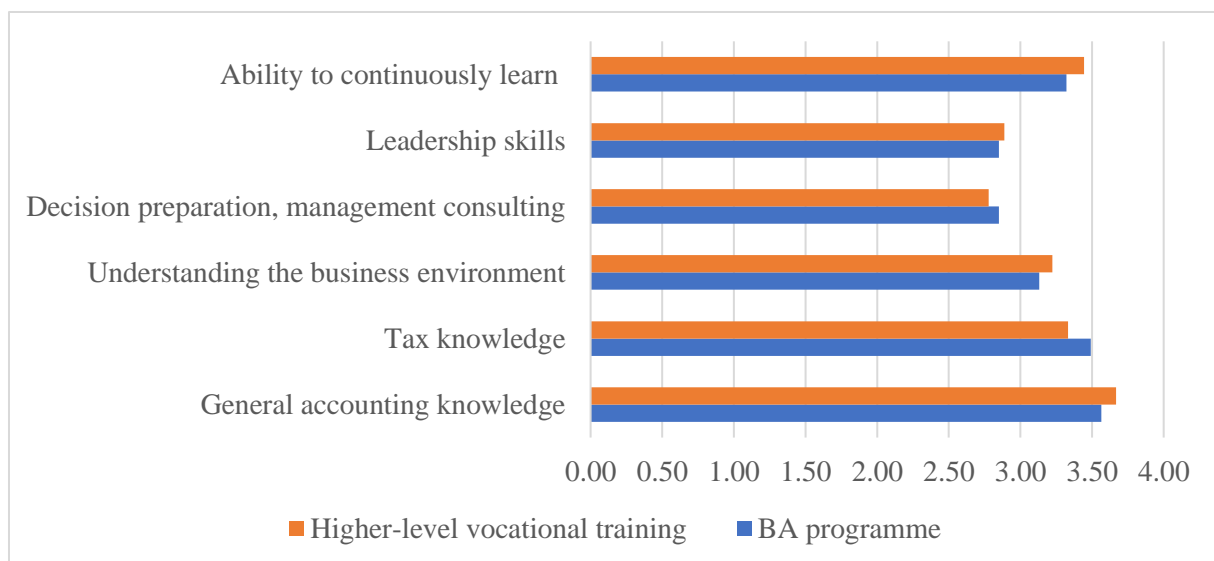


Figure 2. Competences related to obtaining and processing information

Decision preparation and management counseling were considered more important by the students studying in the basic education than the students in the higher vocational education, which result is in line with the purpose and content of the education.

While the students of the basic education consider basic tax and accounting knowledge to be equally important, it is interesting that we can find a greater difference in the opinion of the students of the higher vocational education, who find accounting knowledge to be more important.

Then we were interested in how the students viewed profession-specific knowledge. *Figure 3* shows a summary of these results.

Both students participating in the two training programs consider the knowledge of accounting programs and the acquisition of knowledge that ensures the implementation of taxation-related obligations to be the most important. They do not consider the acquisition of knowledge of special accounting procedures to be a fundamentally necessary competence.

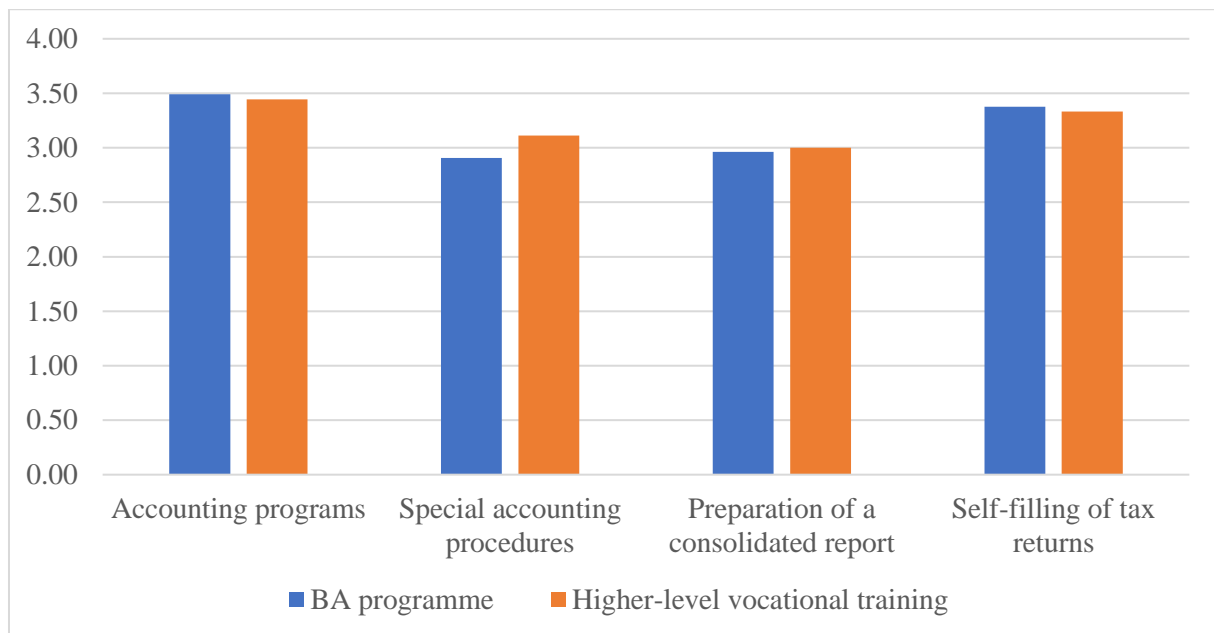


Figure 3. Profession-specific competencies

From the point of view of later employment it is particularly important for a student majoring in finance and accounting – and at the same time economics – to be able to present and convey the work he has done and the conclusions he has drawn in the appropriate way to the stakeholders. The third part of the questionnaire dealt with the examination of these competencies, the results of which are summarized in *Figure 4*.

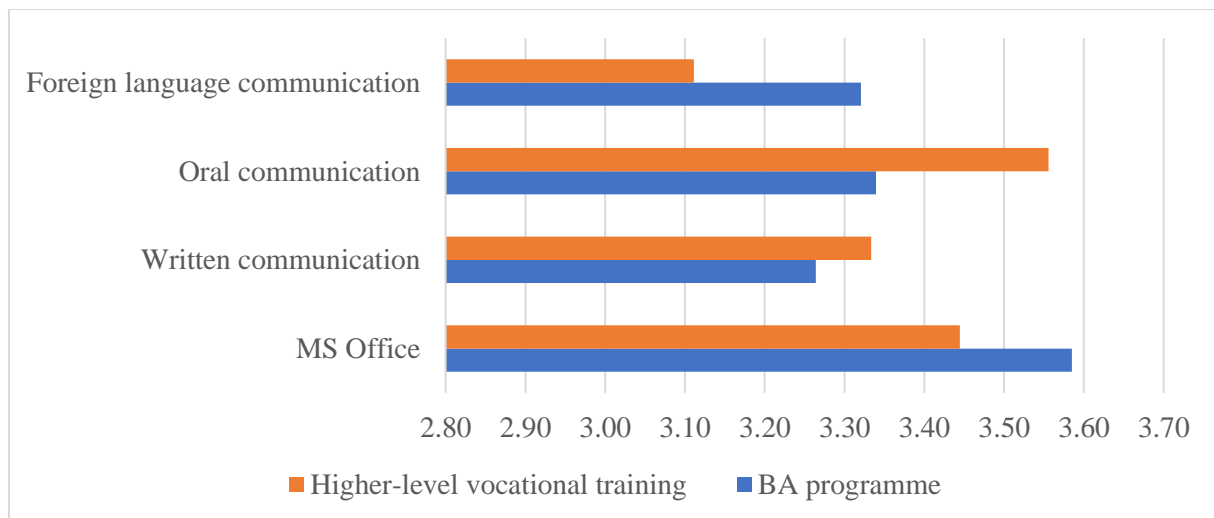


Figure 4. Competencies related to the transmission of information

Our students consider it extremely important to be able to disseminate the results of their work in an appropriate manner. Oral communication and knowledge of the best-known computer programs in business life, and the confident use of these play a particularly important role according to them.

5. Conclusions

The purpose of our research series on the topic is to identify the competencies required of students and to explore the missing competencies in order to improve the content and methodology of financial and accounting training in higher education.

During the analysis, we came to the conclusion that in order to modernize the training, we have to follow a complex, multi-step concept and process. As a first step, we focused our investigation on previously published research and research reports on the subject, which formed the basis of our primary research. In our primary research our aim was to understand how the students studying at the Institute of Finance and Accounting of the Faculty of Economics of the University of Miskolc see the necessity of the knowledge they have learned. The main findings that may help to further develop the training are the following:

- The students consider it extremely important that they get to know the business world around them with accounting skills, with the knowledge of taxation frameworks, also taking into account the need for continuous development and (self)education in these areas.
- Regarding the development of the training, communication appears as a critical point, especially the role of oral communication, for which a greater role of oral exams and presentations can provide an opportunity.
- The development of support for the teaching of financial and accounting knowledge from the IT side is essential in the field of general and more specialized professional knowledge as well.

In the next step of the research, we will compare the revealed results with the opinions of specialists working in the field, which will provide additional help for the further development of the content and methodology of financial and accounting training in higher education in the case of our institution.

6. Acknowledgements

This publication/research has been supported by the National Research, Development and Innovation Office on behalf of the Prime Minister's Office – National Authority – through the project RRF-2.3.1-21-2022-00013, titled “National Laboratory for Social Innovation”.

References

- [1] Szabó Sz. (2014). *Kompetencia alapú emberi erőforrás gazdálkodás*. Nemzeti Közszerzői Egyetem (NKE). P. 56.
- [2] Henczi L. (2007). A kompetenciafelfogások és a kompetenciamodellek fejlődése. In: Henczi L. (szerk.). *Kompetenciamenedzsment*. Budapest: Perfekt Gazdasági Tanácsadó, Oktató és Kiadó, pp. 61–102.
- [3] Galambos R. (2005). *Esély a változásra, lehetőség a változtatásra*. Kézirat.
- [4] Balázsiné Farkas K. (2017). *A munkaerőpiac pályakezdő számviteli szakemberekkel szemben támasztott kompetencia követelménye*. PhD-értekezés. Pécs: Pécsi Tudományegyetem, Közgazdaságtudományi Kar, Gazdálkodástani Doktori Iskola.

- [5] Kopp E. (2013). Tanulásközpontú programfejlesztés. Felsőoktatási Műhely, pp. 39–56. https://www.academia.edu/31005750/Tanul%C3%A1sk%C3%B6zpont%C3%BA_prog_ramfejleszt%C3%A9s
- [6] World Economic Forum (2018). *The Future of Jobs Report 2018 – Insight Report*. Centre for the New Economy and Society. https://www3.weforum.org/docs/WEF_Future_of_Jobs_2018.pdf.
- [7] The National Committee of Inquiry into Higher Education (1997). *The Dearing Report – Higher Education in the learning society – Main Report*. Her Majesty’s Stationery Office. <http://www.educationengland.org.uk/documents/dearing1997/dearing1997.html>.
- [8] Chen Tien Yiu, T. (2013). A comparative study of what accounting employers in the United States and Hong Kong expect: Implications for curriculum and pedagogical design. *Global Perspectives on Accounting Education*, 2013 (10), pp. 121–132.
- [9] Lengyelne Szilágyi S., Körei A., Török Z. (2022). Az informatikus hallgatók tanítási-tanulási folyamatának javítása játékalapú tanulással: A LimEszelős didaktikai játék fejlesztésének és eredményeinek bemutatása. *Multidiszciplináris Tudományok*, 12 (1), <https://doi.org/10.35925/j.multi.2022.1.3>
- [10] Udvari-Lakatos E. (2005). *A kompetencia-kártya, avagy paradigmaváltás a gyakorlatban*. p. 74. https://www.nive.hu/Downloads/Szakkepzesi_dokumentumok/Szakkepzesi_kutatasok/A_kompetencia_kartya_avagy_paradigmavaltas_a_gyakorlatban.pdf.
- [11] Hegedűs M. (2021). A könyvvizsgálat oktatásának alkalmazkodása a változó világhoz. In: Madarasiné Szirmai A. (szerk.). *A versenyképesség jövője = Digitalizáció + Szakmai tudás a pénzügy és számvitel világában. Beyond Financial Reporting Konferencia – 2019*. Budapesti Gazdasági Egyetem, pp. 6–25. <https://m2.mtmt.hu/gui2/?mode=browse¶ms=publication;32161100>.
- [12] Madarasiné Szirmai A., Hegedűs, M. (2017). A XXI. század módszerei a könyvvizsgálók oktatásában. *Számvitel – Adó – Könyvvizsgálat*, 59, pp. 16–17.
- [13] Hegedűs, M., and Pál, T. (2017). Az online oktatás és a kommunikáció fejlesztése a kamarában. *Számvitel Adó Könyvvizsgálat*, 58, pp. 79–80.
- [14] Csiszárík-Kocsir Á., Garai-Fodor M. (2018). Miért fontos a pénzügyi ismeretek oktatása a Z generáció véleménye alapján? *Polgári Szemle*, 14 (1–3), pp. 107–119. <https://doi.org/10.24307/psz.2018.0809>
- [15] Pál T. (2021). A könyvvizsgálat intézményrendszeréhez kötődő oktatási és továbbképzési kihívások a magyarországi gyakorlatban. In: Budapesti Corvinus Egyetem Számvitel Tanszék (szerk.). *V. Bosnyák János emlékkonferencia és más kutatási eredmények*. Budapest: Budapesti Corvinus Egyetem, pp. 107–118. <http://unipub.lib.uni-corvinus.hu/view/subjects/subjects.html>.
- [16] Kovács L., Pásztor S. (2022). A pénzügyi kultúra az európai oktatásban. *Gazdaság és Pénzügy*, 9 (1), pp. 50–67. <https://doi.org/10.33926/GP.2022.1.3>
- [17] Baranyi A., Csernák J. (2021). Pénzügyi ismeretek oktatására ható tényezők vizsgálatának tapasztalatai. In: Bodáné Kendrovics R. (szerk.). *Projektoktatás a XXI. században*. Budapest: Óbudai Egyetem Rejtő Sándor Könnyűipari és Környezetmérnöki Kar, pp. 84–94.

- [18] Baranyi A., Csernák J., Csiszárík-Kocsir Á. (2022). Elvárások a pénzügyi oktatás terén egy primer kutatás tükrében. *Acta Carolus Robertus*, 12 (1), Article 1. <https://doi.org/10.33032/acr.2854>
- [19] Kovács L., Nagy E. (2022). A hazai pénzügyi kultúra fejlesztésének aktuális feladatai. *Gazdaság és Pénzügy*, 9 (1), pp. 2–19. <https://doi.org/10.33926/GP.2022.1.1>
- [20] Bartha Z., Sáfrányiné Gubik A. (2018). Oktatási kihívások a technikai forradalom tükrében. *Észak-Magyarországi Stratégiai Füzetek*, 15 (1), Article 1.
- [21] Fodor K., Lengyel L., Molnár L., Szilágyi R., Tóthné Kiss A. (2018). *Duális kompetencia igényfelmérés és prognózis*. Kutatási jelentés. Miskolc: Miskolci Egyetem, p. 85.
- [22] Németh E. (2022). A pénzügyi kultúrához kapcsolódó képzések: Összehasonlító elemzés (2016–2020). *Gazdaság és Pénzügy*, 9 (1), pp. 68–101. <https://doi.org/10.33926/GP.2022.1.4>
- [23] Terták E. (2022). Pénzügyi oktatás a világban. *Gazdaság és Pénzügy*, 9 (1), pp. 20–49. <https://doi.org/10.33926/GP.2022.1.2>
- [24] Balogh A., Kozák S., Turi M. (2021). A számviteli szakma oktatásának és munkaerőpiaci helyzetének vizsgálata Budapesten (2019). *Corvinus Kutatások*, Budapesti Corvinus Egyetem, pp. 65–106.