

Report On
Factors resulting in fewer students from private universities
pursuing the CA profession

By

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An internship report submitted to the BRAC Business School (BBS) in partial fulfillment
of the requirements for the degree of

BBA

BRAC Business School

Brac University

September 2022

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Declaration

It is hereby declared that

1. The internship report submitted is my original work while completing my degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material that has been accepted or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

Student's Full Name & Signature:

Kazi Md. Salehuddin

18304038

Supervisor's Full Name & Signature:

Mr. Saif Hossain

Assistant Professor

BRAC University

Letter of Transmittal

Mr. Saif Hossain

Assistant Professor,
BRAC Business School
BRAC University
66 Mohakhali, Dhaka-1212

Subject: Submission of the internship report

Dear Sir,

With due respect, I am greatly honored to present this internship report to you. This report is one of the requirements for the completion of the BUS 400 course.

You will find detail about ACNABIN, and discussions about the reasons that are causing private university graduates to pursue careers other than CA. Additionally, comprehensive discussions about feasible strategies for increasing enrollment from private university graduates in CA firms have also been included

Therefore, I want to convey my deep gratitude for your unparalleled guidance and instruction, which allowed me to develop this report successfully I hope this report lives up to your expectations and I would be open to suggestions or concerns you might have.

Sincerely yours,

Kazi Md. Salehuddin

ID: 18304038

BRAC Business School,
BRAC University

Date: September 17, 2022

Non-Disclosure Agreement

This agreement is made and approved by ACNABIN, Chartered Accountants, and the undersigned student at BRAC University.

1. I am not at liberty to reveal any information about the clients of ACNABIN
2. I cannot disclose the organization's financial information to any other third parties
3. I must present the report to ACNABIN before submitting it to BRAC University

Acknowledgment

I am greatly indebted to my supervisor, Mr. Saif Hossain for his continuous support and invaluable instructions, which enable me to complete this report. I want to thank my co-supervisor, Mr. Riyashad Ahmed for helping me when I was struggling to find a research topic. Many people helped me in collecting data for this report and I would like to extend my heartfelt appreciation to Mr. Mahmudur Rahman for providing me with information about ACNABIN operations and the research topic, to Mr. Aminul Hoque for his valuable insight on the research topic, to Mr. Shakur who helped me to learn about the distribution of article students. Lastly, I express my gratitude to all the survey participants who greatly aid in the collection of primary data.

Executive Summary

This report aims to find out reasons why there are not many private university graduates in the CA profession. A survey and interviews of distinguished personalities from the audit sector were conducted to collect the necessary data for preparing the report. We have found out that only as much as 20% of article students are from private universities pursuing CA, which is the lowest portion. On the other hand, public universities and national universities represent 35% and 45% of the total article students in all CA firms. The reasons that contributed to the lowest portion of article students from private universities are less awareness among private university students about CA, the culture of private universities, private university students' job preferences over banks or MNCs, CA course difficulty level, and some other reasons. In this regard, this report has suggested measures for increasing the enrollment of private universities graduate in CA firms. Effective measures include recruiting ACA as faculty in private universities, raising the allowance of article students in CA firms, nullifying the myths associated with the CA profession, and raising awareness about the CA profession.

Keywords: CA; Chartered Accountants; Associate Chartered Accountants; Article students; Private university graduates.

Table of Contents

Declaration	ii
Letter of Transmittal	iii
Non-Disclosure Agreement	iv
Acknowledgment	v
Executive Summary	vi
Table of Contents	vii
List of Tables	x
List of Figures	xi
List of Acronyms	xii
Glossary	xiii
Chapter 1: Overview of Internship	1
1.1 Student Information	1
1.2 Internship Information	1
1.2.1 Organization Information	1
1.2.2 Company Supervisor's Information	1
1.2.3 Job Scope – Job Description and Responsibilities	2
1.3 Internship Outcomes	3
1.3.1 Student's contribution to the company	3
1.3.2 Benefits to the student	5
1.3.3 Difficulties faced during the internship period	6

1.3.4 Suggestions for ACNABIN	7
Chapter 2: Organization Part	8
2.1 Introduction	8
2.2 Overview of ACNABIN, Chartered Accountants	9
2.2.1 Mission and vision	9
2.2.2 Services provided by ACNABIN	10
2.2.3 Partners of the firm	10
2.3 Management practices	12
2.3.1 Democratic leadership at ACNABIN	12
2.3.2 Achievement of goals and objectives through democratic leadership	12
2.3.3 Recruitment and selection process	13
2.3.4 Training program and performance appraisal system	14
2.4 Marketing practices	15
2.4.1 Target customers	15
2.5 Financial performance and accounting practices	15
2.6 Operations management and information system practices	16
2.6.1 Operations management: Quality assurance	16
2.6.2 Information System: Use of ERP system to allocate resources	17
2.6.3 Information System: Use of ERP system to process personnel data	17
2.7 Industry and competitive analysis	19
2.7.1 Porter's Five Forces analysis	19

2.7.2 SWOT analysis	22
2.8 Summary of chapter 2	26
2.9 Recommendations and suggestions	27
Chapter 3: Project Part	29
3.1 Introduction	29
3.1.1 Literature review	29
3.1.2 Objectives of the study	32
3.1.3 Significance of the study	32
3.2 Methodology	34
3.2.1 Research type	34
3.2.2 Research Strategy	34
3.2.3 Sampling strategy	35
3.2.4 Data collection method	35
3.2.5 Methodological limitations	36
3.3 Findings and Analysis	37
3.3.1 Ratio of article students from public, national and private universities	38
3.3.2 Reasons why fewer private university graduates are seeking careers in CA	40
3.3.3 Ways to increase enrollment in CA profession from private universities	44
3.4 Conclusion	47
References	49
Appendix A	53

List of Tables

Table 1: Services provided by ACNABIN	10
Table 2: Required skills for an auditor	33
Table 3: Data collection methods	36
Table 4: Distribution of CA students according to Shakur	39
Table 5: Sector wise job preference of private university undergraduates	40
Table 6: Current allowances of different year article students	45

List of Figures

Figure 1: Partners of the firm	11
Figure 2: Recruitment and selection process of an article student	13
Figure 3: Interface of the ERP system	17
Figure 4: Function of ERP and Finance manager	18
Figure 5: Porter's five forces analysis of ACNABIN	19
Figure 6: Growing number of PLCs from 2015 to 2020	24
Figure 7: Pie chart of student distribution at ACNABIN	38

List of Acronyms

ACA	Associate Chartered Accountant
CA	Chartered Accountants
DWB	Deviant workplace behavior
ERP	Enterprise Resource Planning
FS	Financial statements
ICAB	Institute of Chartered Accountant of Bangladesh
ICDDR, B	International Centre for Diarrhoeal Disease Research, Bangladesh
MNCs	Multi-national companies
PLCs	Public Limited Companies
QUAAD	Quality and Assurance team

Glossary

Article student	A student working at a CA firm and studying to complete a CA degree.
CC period	A three-year period in which an article student must work at a CA firm.
Cold review	A process of the QUAAD team at ACNABIN to ensure and review assurance service quality.
Deviant workplace behavior	Dissatisfied employees at an organization who are not sincere about their duties and responsibilities.
Hot review	A process of the QUAAD team at ACNABIN to ensure and review assurance service quality.
Internal control system	A system employed at an organization for mitigating risk.
Materiality	A process of determining the material amount for a given transaction.

Chapter 1: Overview of Internship

1.1 Student Information

Name: Kazi Md. Salehuddin

Student ID: 18304038

Program: Bachelor of Business Administration (BBA)

Major: Accounting

Minor: Finance

1.2 Internship Information

1.2.1 Organization Information

Company name: ACNABIN, Chartered Accountants

Department: Audit & Consultancy

Internship duration: 3 months (From 01 June 2022 to 31 August 2022)

Address: BDBL Bhaban (Level-13 & 15), 12 Kawran Bazar Commercial Area, Dhaka-1215,
Bangladesh

Contact information: Telephone - (+88-02) 410 20030 to 35

Fax - (+88-02) 410 20036

1.2.2 Company Supervisor's Information

I worked with two supervisors during my internship at ACNABIN, Chartered Accountants. For the first half of my internship period, I worked with Md. Mofiz Uddin, and in the latter half, I

worked with S M Omar Faruk. Hence, you can see the names and designations of the two supervisors.

First supervisor's name: Md. Mofiz Uddin

Position: Senior Assistant Director, Audit & Consultancy

Cell: (+88) 01717073135

Second supervisor's name: S M Omar Faruk

Position: Assistant Director, Audit & Consultancy

Cell: (+88) 01701578647

1.2.3 Job Scope – Job Description and Responsibilities

I started my internship at ACNABIN, Chartered Accountants, back in June this year. As an intern at ACANBIN, a reputed audit firm in Bangladesh, I get to learn about audit procedures, in particular about the evidence collection process while I was performing my job responsibilities. Following are the job responsibilities that were assigned to me:

1. Collecting necessary documents for external auditing
2. Participating in entrance meetings with clients (auditee)
3. Conducting fieldwork for external auditing
4. Corresponding with the client's office for auditing purposes
5. Preparing opening and closing balance confirmation
6. Following the instruction of the site supervisor related to external auditing
7. Preparing financial statements for the clients
8. Preparing workings files based on the evidence collected from the auditees

It was not at all easy to perform all these job responsibilities as I was quite new to this auditing sector. And, too often, I encountered the painful process of trial and error to get my tasks done as per the site supervisor's requirement. Nonetheless, I learned and completed my tasks properly.

1.3 Internship Outcomes

1.3.1 Student's contribution to the company

Three months of internship have allowed me to contribute to many aspects of the audit firm. Starting from helping my site supervisor on focusing on other important tasks to performing site visits, I have performed many tasks for the firm.

1.3.1.1 Collected evidence for auditing

One of my primary responsibilities at ACNABIN was to collect and store necessary documents from auditees for auditing. For collecting documents, I visited Grameen Bank's head office in Mirpur and worked there for about one week. In addition to that, the audit firm sent me to International Centre for Diarrhoeal Disease Research, Bangladesh (ICDDR, B) for collecting necessary documents and storing them in a cloud system such as google drive. As per the instruction of my site supervisor, I visited ICCDR, B for more than one month.

1.3.1.2 Prepared financial statement

Back in June, when I joined ACNABIN as an intern, Mofiz Uddin, Senior Assistant Manager, instructed me on how to prepare financial statements for the auditees. After the instruction, I prepared the balance statement and income statement of Grameen bank.

1.3.1.3 Performed site visit

Auditing of a company requires auditors to perform site visits for checking the existence of fixed assets of the company, and review the business operation as per the company's policy manual and required regulations. I performed site visits with my senior colleague to check the business operations of ICDDR, B. We visited the head office of BADAS at Shahbag, Dhaka Shishu Hospital at Sher-E-Bangla Nagar, SMC Head office at Banani, and Shaheed Suhrawardy Hospital at Sher-E-Bangla Nagar for checking their business operations.

1.3.1.4 Helped colleagues learn excel

There is always something new to learn in excel spreadsheet software. It is enriched with so many features that one can learn new things about excel after using it for many years.

I am not an expert at excel but I have a good understanding of how Excel works and its feature. During my time as an intern, I found few of my colleagues were struggling with excel. They had difficulties in copying and pasting data, with formulas, creating a table, and understanding filtering and sorting options. To the best of my effort and knowledge, I helped them to learn and use excel.

1.3.1.5 Helped my supervisor to focus on other important tasks

As a Senior Assistant manager, my supervisor is always dealing with multiple clients simultaneously. I, personally believe, he is overburdened with many responsibilities. I tried my best for reducing the stress for my supervisor. While working as an intern at the audit firm, I had performed sincerely the tasks of vouching, creating working files, and corresponding with the clients so that Mofiz bhai can focus on other important tasks such as joining entrance meetings.

1.3.2 Benefits to the student

I am grateful for having the opportunity to join ACNABIN, which enables me to hone my interpersonal, and technical skills. Three months of work experience has changed me for the better.

1.3.2.1 Improved critical thinking ability

First and foremost, my critical thinking ability has risen to a significant level. Auditors always require to think deeply about a given transaction that she is evaluating to find out observations. My supervisor and senior colleagues have always guided me in thinking deeply and in asking questions starting with why. To the best of my effort, I have tried to follow my senior's instructions to think critically. This has improved my critical thinking ability.

1.3.2.2 Efficiency in excel

A good portion of their time at the audit firm every day, employees need to work with excel. It was also the same for me, which led to an in-depth understanding of excel and its features. Now, one might say, I am proficient in excel, and she will not be wrong.

1.3.2.3 Learned about audit procedures

Joining an audit firm as an intern has provided me with an opportunity to learn about audit procedures. Now, I understand how the audit process starts with pre-engagement activities, and then client engagement occurs. Next, auditors stay busy preparing the whole audit plan before starting the audit fieldwork. Then comes the substantive test in which auditors evaluate business transactions and documents. Last, but not least, the audit completion stage begins after the substantive test which includes issuing the audit report.

1.3.2.4 Disciplined lifestyle

As for me, life has become more disciplined after joining the firm. Every working day, I had to get up as early as 6:30 am to join the office before 9 am. The internal control system is there, if anyone scans their ID card after 9 am, they would be counted as late, and a certain amount of salary would be deducted. So, for avoiding being late at the office, I have built up the habit of early rising and avoiding staying up late at night, which improve my physical and mental health.

1.3.2.5 Enhanced interpersonal skill

My interpersonal skill has improved because of working at the firm. Now and then, senior colleagues gave me tasks of talking with auditee organizations for the execution of auditing. As a result, now and then, I had the opportunity to talk with auditee organizations. I corresponded over emails and phone with the finance manager of Otto International Limited, Grameen Bank, and Icdrr,b for the collection of pieces of evidence or documents. Sometimes, I called for asking for a particular set of documents from an auditee, which they were reluctant to provide. In such a situation, I had to convince them to get the documents. So, talking with managers from different private and public limited companies has enhanced my interpersonal skill.

1.3.3 Difficulties faced during the internship period

1.3.3.1 Adjusting to a completely new environment

For the first time, I got the opportunity to explore the audit sector by joining ACNABIN as an intern back in June this year. At the beginning of my internship period, I had my fair share of difficulties in adjusting to the environment of ACNABIN. A completely new environment with all the faces unknown to me is just about a perfect combination for having difficulties in

adjusting to the environment. However, friendly attitudes and behaviors from my colleagues helped me significantly in adapting to the new environment sooner than expected. In particular, countless thank goes Fahad bhai without whom adapting to the new corporate culture of ACNABIN would be much lengthier.

1.3.3.2 Terrible traffic jam

Then, commuting from Uttara to Kawran Bazar daily during my internship period was quite painful for me. Every working day, I had to encounter horrible traffic jams for going to my office at Kawran Bazar from my home, Uttara. I had to spend a minimum of 3 hours traveling to the office and returning home. Somedays, because of horrible heavy traffic jams, I had to stay longer than 3 hours on road.

1.3.4 Suggestions for ACNABIN

The suggestions provided here are entirely based on personal observations, and does not intend to show any lacking of the firm. The aim, here, is to highlight the areas for improvement, which would coming from personal opinion. The followings are the suggestion that would lead to a better internship experience for future interns.

1. Designing more comprehensive training programs for the student who are joining as interns.
2. Providing a moderate degree of workloads to interns for fruitful outcomes
3. Having lower expectations from interns, which would render lower degree of stress level in interns.

Chapter 2: Organization Part

2.1 Introduction

This chapter of the report starts with an overview of ACNABIN, Chartered Accountants. Subsequently, you will notice the details about management practices and leadership styles. The report also includes how the management practices are helping in achieving the organization's goals and objectives. Not only that, this report has incorporated the human resources planning of the organization.

We are going to find out about the marketing practices of the audit firm. Marketing strategy, target customers, positioning strategy, marketing channel, service development, and critical marketing issues of ACNABIN are part of this chapter. Furthermore, Accounting practices that the audit firm follows can be found as well.

After talking with several members of the firm, I have come to know about the operational management and information system practices of the audit firm. The firm records data of all of its employees through an ERP system. For example, the administrative department can know how much time an individual employee is providing on different projects from the ERP system. Not only that, the firm has modern software for resource allocation and operations management, which we are going to talk about later in this chapter.

To learn about the firm position in the industry, this section includes Porter's Five Forces analysis and SWOT analysis. Porter's Five Forces analysis will help us in knowing about the competitive advantage, and SWOT analysis will let us learn about the strengths, weaknesses, opportunities, and threats of the firm.

Lastly, a summary of the whole chapter is given after describing the firm in terms of management, marketing, accounting, operations management, and information system practices along with a few recommendations.

2.2 Overview of ACNABIN, Chartered Accountants

One of Bangladesh's leading accounting firms, ACNABIN, represents Baker Tilly International as an independent network member firm and offers assurance, tax, and business consulting services, all of which are of the highest caliber. It started its journey back in 1985, and since then, the firm has been continuously providing quality services to its clients and stakeholders. There are about 500 professionals with a higher degree of experience and expertise to serve the valued clientele across the markets (ACNABIN, 2022). This highly qualified personnel are guided by the core values of ACNABIN.

2.2.1 Mission and vision

The firm has the vision of becoming the trusted business advisor in the country which is endorsed by all the partners, personnel, and article students of the firm (ACNABIN, 2022a). Keeping the vision of becoming the trusted business advisor in mind, the firm has formulated a coherent mission of prioritizing client confidentiality by all means. The mission and vision of ACNABIN embody a set of core values that are shared by all the personnel, partners, and article students alike. The following are the core values of the firm; “to lead by example, to deliver quality services with integrity, to communicate openly, to act ethically, and to foster a community built around civic responsibilities and teamwork” (ACNABIN, 2022a).

Everyone in the organization upholds the core values, and valued clients of the firm can appreciate the effect of the values when they receive services from ACNABIN.

2.2.2 Services provided by ACNABIN

ACNABIN provides a range of services to its clients ranging from assurance services to sustainability services. A table might help show all the services provided by the firm.

Table 1: Services provided by ACNABIN

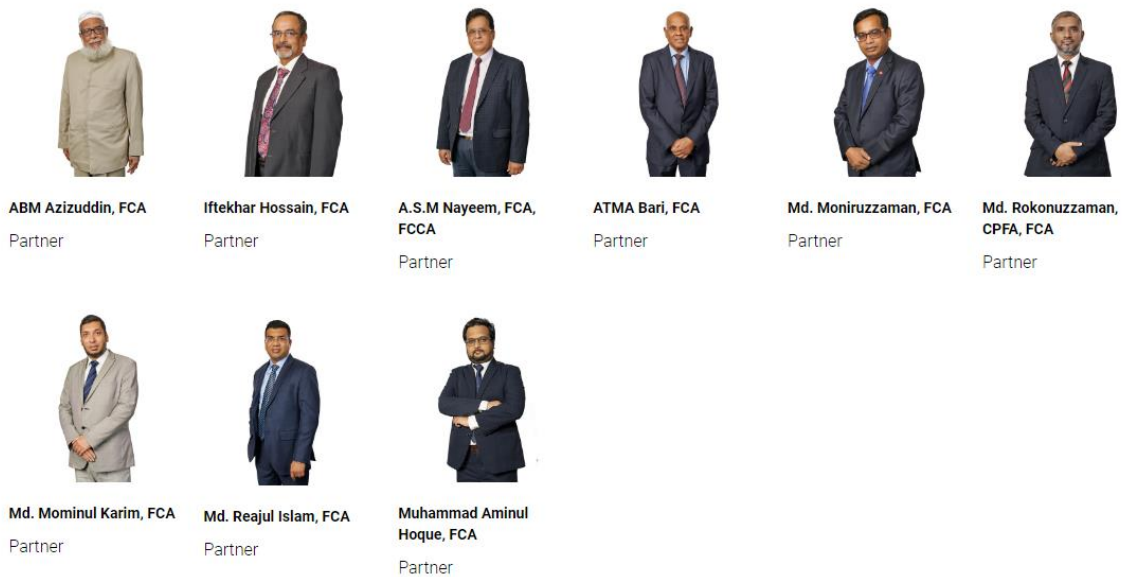
Serial no.	Services
1	Assurance services
2	Corporate Finance Advisory Services
3	Business Process Outsourcing
4	Risk and Advisory Services
5	Tax and Regulatory Services
6	Sustainability Advisory Services

From Table 1, you can see that a client can receive up to 6 types of services from the firm. Not only that each service type has its subcategory. For instance, assurance services (serial no 1) include statutory audits, restatement of accounts, donor audits, internal audits, special audits, independent review of financial statements, and many other services. Just as assurance services have different subcategories of services, so do the other 5 types of services such as tax and regulatory services, and business process outsourcing. We can only say that ACNABIN has a large array of services to offer to its valued clientele.

2.2.3 Partners of the firm

At present, the firm is under the great supervision and administration of the nine partners who work relentlessly for the betterment of the firm and to uphold the commitment toward its client.

Figure 1: Partners of the firm



Source: (Bakertilly network member, 2021)

The above figure 1 (Bakertilly network member, 2021), includes all the partners of the firm who are highly qualified and experienced in their respective fields. For example, A.S.M Nayeem, FCA, FCCA (upper left side third number in figure 1) holds the position of Associate Member of the Institute of the Chartered Accountants in England & Wales since 1980. Nayeem sir is highly skilled at financial management. Another partner, Muhammad Aminul Hoque, FCA, who did his MBA in Accounting and Information from the University of Dhaka, oversees Audit and Assurance, Taxation services, financial reporting and Internal Audit for the valued clientele. To say the least, the contribution from all the partners to deliver valued services is one of the main reasons for the continued success of ACNABIN.

2.3 Management practices

2.3.1 Democratic leadership at ACNABIN

To the best of my knowledge, at ACNABIN, I have found a democratic leadership style prevailing throughout the organization. Discussion with different article students at different times has led me to conclusions about its democratic leadership style. Also, the Senior Assistant Manager of the firm has confirmed, that the democratic leadership style existing in the firm. In addition to that, the firm needs approval from all 9 partners in case of taking all the major decisions. To illustrate, quite recently a large group of personnel of the firm together demanded a raise in their allowances, which was subsequently accepted, because all the partners could agree on increasing the personnel allowances. Later, everything returned to normal situation, and there was an increment.

2.3.2 Achievement of goals and objectives through democratic leadership

Democratic leadership is helping to a great extent in the achievement of organizational objectives. As mentioned before, the firm objectives are to be a trusted business advisor in the market and to maintain client confidentiality. They have become one of the trusted business advisors in Bangladesh since ACNABIN stands in the "A category", which is the top rating (Sonjib, 2022). In addition to that, Bangladesh Bank has enlisted ACNABIN as an eligible CA firm to conduct audits of the enlisted banks (Rahman, 2020), which is a great achievement in itself as many CA firms could not make it to the enlistment. Now, we will focus on how democratic leadership has helped in the process of achieving the firm's goal.

Simply, the current democratic leadership of the firm allows collaborative decisions making, which is further refined because of the varied line of expertise of the partners. Nine partners of the firm, with each partner having expertise in various sector of auditing work, has taken the best decisions out of many alternatives. Because when problems arise, each partner thought

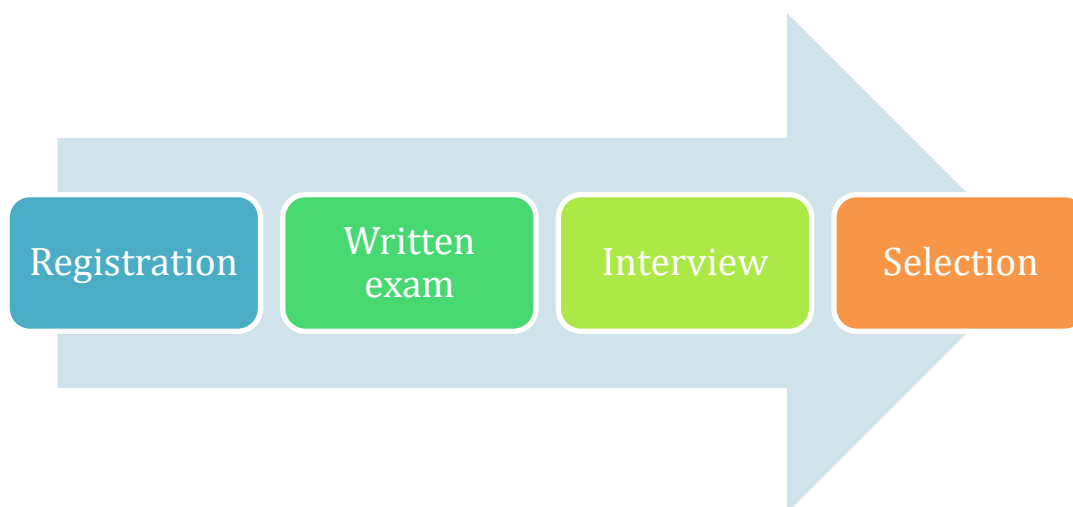
about the problems from different angles, and after discussing the matters with each other, they have always taken the right decisions.

Moreover, democratic leadership in any firm or organization prevents authority bias and it is also happening at the firm. As for authority bias, it prevents the free flow of ideas from the middle level to the top level of an organization, in which top management is quite reluctant to entertain the idea of its junior employees (Dobelli, 2014). I have seen no such malpractice at ACNABIN. Everyone is welcome to share their views and ideas, which I think has made and still making a large contribution to the firm's success.

2.3.3 Recruitment and selection process

There are two types of recruitment: one is the recruitment of article students and another one is the recruitment of personnel for different organizational positions (e.g., Assistant manager of IT). Here, an article student is a student who is working at a CA firm and aims to pass the Chartered Accountancy exams. According to Rahman (2022), who holds the position of Director of the Assurance & Advisory department, ACNABIN recruits article students in a three-step process (personal communication, September 6, 2022).

Figure 2: Recruitment and selection process of an article student



In figure 2, prospective article students need to attend a written exam after dropping their resume. Then, those who meet certain criteria of the written exam and pass the exam, will get a call to sit for an interview. Partners and sometimes directors of the firm are responsible for interviewing prospective article students and deciding on hiring. Only after that, first written exam and then interview, a student can commence their article ship at ACNABIN.

Next on, recruitment and selection of personnel for the different organizational positions are quite similar to that of students except there is no written exam. The process starts with asking for resumes for a particular position. After receiving enough resumes within the specified deadlines, filtering of resumes begins based on preset criteria. Then prospective employees get a call for an interview and, personnel gets selected based on interview performance.

2.3.4 Training program and performance appraisal system

At ACNABIN, you will see two kinds of training programs, one kind is applicable for students who are with the firm for less than 1.5 years, and the other kind is applicable for students who are working with the firm for more than 1.5 years (M. Rahman, personal communication, September 6, 2022).

Next, a formal performance appraisal system does not exist in the firm. I have talked with existing article students, managers, and staff about the performance appraisal system and everyone confirms the non-existence of a formal performance appraisal system. Asked about how they evaluate personnel and article student performance, the director of the organization said, they conduct oral discussions over the matter between partners and directors to promote or demote.

2.4 Marketing practices

As per the Chartered Accountants Act of 1949, no audit firm in Bangladesh can advertise its firm. As a result, writing about marketing strategies for ACNABIN is not applicable for this report. Now, we will talk about the target customers of the audit firm.

2.4.1 Target customers

The audit firm's target clients include public limited corporations, commercial banks, insurance firms, and private limited companies. In Bangladesh, we have about 3513 public limited companies (Sarker, 2020), which results in a sizable target customer base for audit firms. Keep in mind that, all public limited companies are required by the laws to conduct a statutory audit every year. Now, you can guess the demand for assurance services where we have not considered the number of commercial banks, insurance firms, and private limited companies. Briefly, demand for assurance services provided by audit firms is quite high and, in that sense, there is not much sense of practicality for advertising. Even though it is prohibited by laws to advertise, audit firm does not need to advertise as their services have already huge demand in the industry.

2.5 Financial performance and accounting practices

When I asked about the financial statements for the past 5 years to conduct ratio analysis for this report, they did not share the financial statements with me because of information confidentiality and the firm's policy. No one is allowed to access the financial statements of the firm except a few individuals. The financial statements of ACNABIN are only for the eyes of partners and directors only. For this reason, I could not include a financial performance analysis in this report.

When asked about the accounting method that is implemented at the firm. The director of the firm confirmed, “We follow cash basis accounting here at ACNABIN and it’s been like this, since the foundation back in 1985” (M. Rahman, personal communication, September 6, 2022). He also said that most of the CA firm in the country follows the cash basis method of accounting. He further said that, when asked about the depreciation method, as per the firm's policy, they follow the straight-line depreciation method.

2.6 Operations management and information system practices

2.6.1 Operations management: Quality assurance

For ensuring the highest of level quality in the services, the firm has a dedicated Quality and Assurance team (QUAAD), Partner’s review, and Director’s review. Firstly, one of the main objectives of the QUAAD team is that they oversee the quality level of the services provided by the firm. The team conducts hot review and cold review, processes to ensure quality services. In hot review, members of the QUAAD team make a surprise visit to the personnel fieldwork location to observe the quality of the assurance services. Without warning, ACNABIN may dispatch its QUAAD team to Grameen Bank, for example, to assess the work quality of the auditors who are performing fieldwork there. Conversely, cold reviews will be executed at the home office when an audit team finishes their fieldwork for clients.

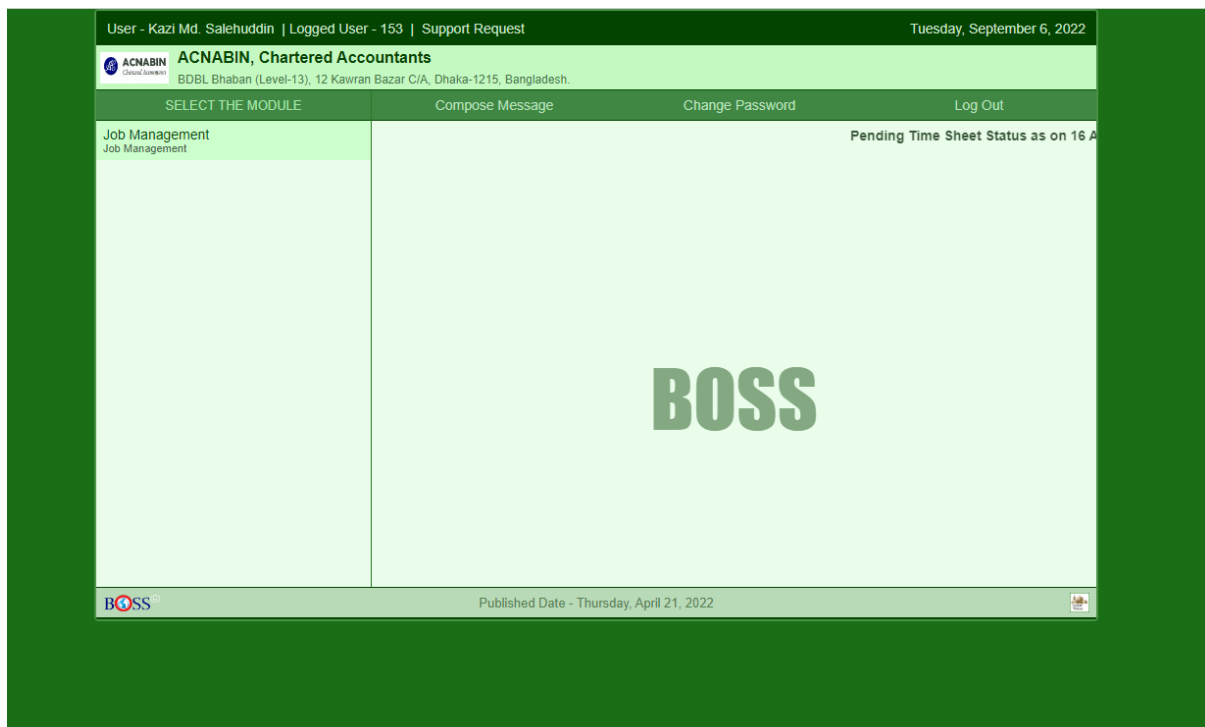
Moreover, to ensure top-level services, directors of the firm evaluate their allotted supervisor’s performance at each half-yearly and take decisions about the supervisors accordingly. In addition to that, directors' evaluation occurs yearly by the partners of the firm. All these evaluation activities and deployment of the QUAAD team aim to enhance the quality of the services provided by the audit firm.

2.6.2 Information System: Use of ERP system to allocate resources

To make the process of understanding more easier on how Enterprise Resources Planning (ERP) allocates resources, I will do some briefing in this paragraph. Suppose ACNABIN has provided the engagement letter to Eastern Bank Limited (EBL) for statutory audit. Now, EBL has become a client, and the statutory audit will be considered a job. For this job, ACNABIN will simply assign one supervisor and some members. At the beginning of the job, the supervisor will request necessary time and resources (e.g., stationery, travel allowances) through the ERP system, which will be recommended by one of the directors upon review and later by one of the partners. This process of providing requisition is the same for any job at the firm. This is how resources are allocated upon the initiation of a job through the ERP system.

2.6.3 Information System: Use of ERP system to process personnel data

Figure 3: Interface of the ERP system

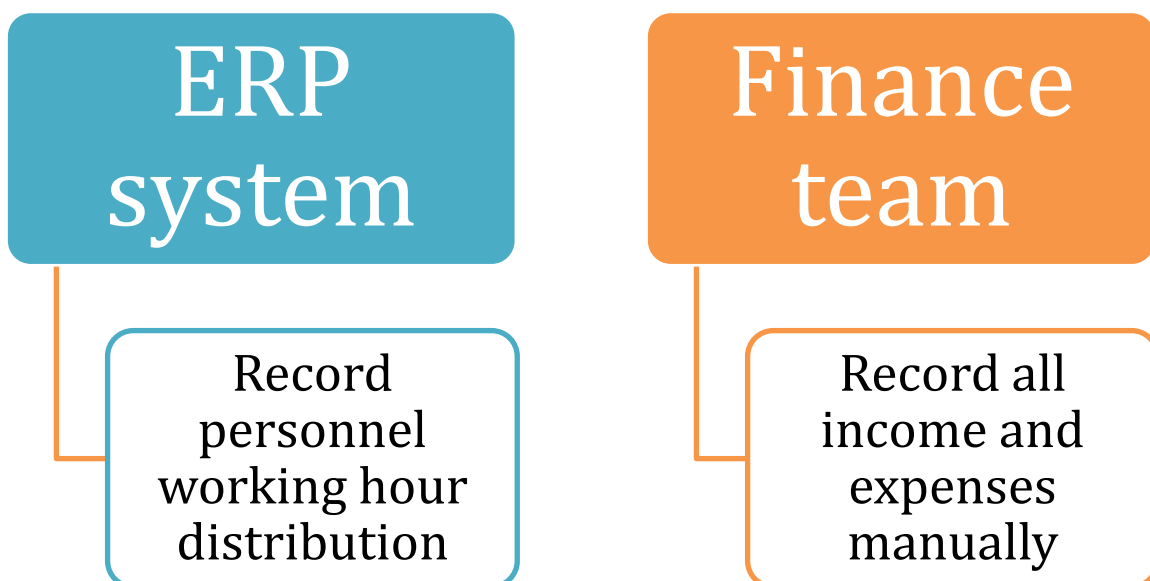


Source: (Afreen Software Limited, 2022)

In figure 3 (Afreen Software Limited, 2022), you can notice the ERP system that is in use at ACNABIN. This third-party system collects, processes, and stores personnel data. Mind you, this system is not designed for recording all the income and expenses of the organization.

To illustrate, trainees (article students), and all the staffs expect partners of the firm to provide information on working hours on different jobs each day at the ERP system. Next, the ERP system stores and crunches all the personnel working hour data on different jobs to prepare an individual monthly timesheet. The partners approve the monthly timesheet of each employee in the ERP system. To sum up, you noted that the ERP system only keeps track of personnel information; in contrast, it does not store and process any information about the employee's allowances.

Figure 4: Function of ERP and Finance manager



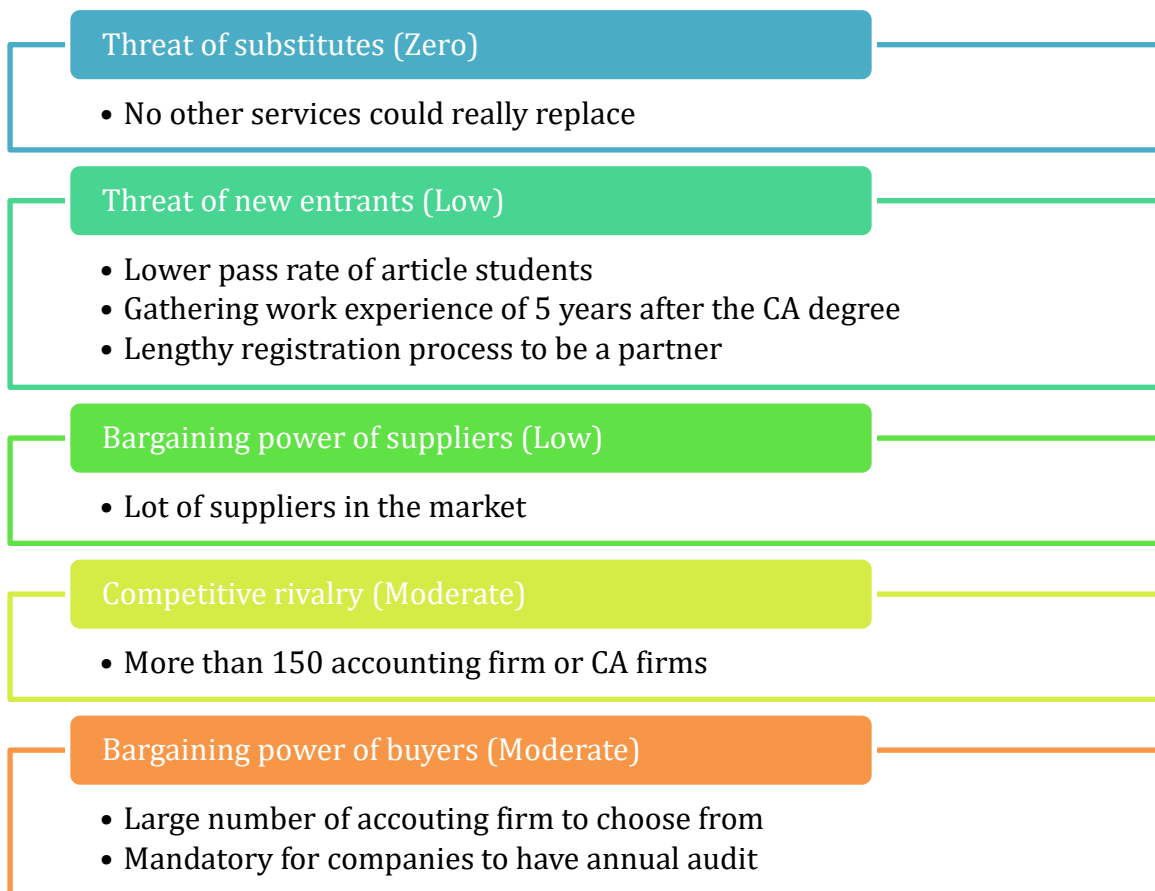
You can see figure 4 specifies the function of ERP and the Finance team. The finance team of the firm records all the incomes and expenses, and they do so manually with Microsoft excel (S. Sarder, personal communication, August 23, 2022).

2.7 Industry and competitive analysis

2.7.1 Porter's Five Forces analysis

We are going to analyze ACNABIN, Chartered Accountant by using Porter's Five Forces model. Our aim includes determining the competitive advantages of the firm.

Figure 5: Porter's five forces analysis of ACNABIN



2.7.1.1 Threat of substitutes

No services in the world can replace the need for the services provided by the audit firm or accounting firm. To be specific, can public limited companies use any other services instead of a statutory audit? The answer is no. They need to take the service of statutory audit from an audit firm every year as required by law. It is quite easier for a customer to shift from Pepsi to

Aquafina when they are getting obese, but not easier for public limited companies to replace assurance services (e.g., internal audit, statutory audit) with any other services. Practically, the threat of substitutes does not for any audit firm or accounting firm.

2.7.1.2 Threat of new entrants

The threat of new entrants is marginally low in the Chartered Accountancy industry. Anyone who wants to establish a CA firm first needs to pass the Chartered Accountancy exams, including certificate level, professional level, and advanced level. But, the pass rate for the CA degree is significantly low. According to Hoque (2022), who is one of the partners of ACNABIN, the pass rate for the CA degree is about near to 30% only or less (personal communication, June 5, 2022).

In addition to that, the few students who pass the CA degree requires to work at an accounting firm for at least five years after the completion of the CA degree. Next, after gathering five years of experience at an accounting firm, the prospective accountants will make a registration with the Institute of Chartered Accountants of Bangladesh (ICAB), which comes with reviews, exams, and a lengthy process. Only when a prospective accountant passes the CA degree, gathers five years of experience after the degree, and completes the painful process of registration at ICAB, she/he can initiate the establishment of an accounting firm, assuming she has the required amount of capital. That's why we can conclude that threat of new entrants is significantly low for any accounting firm in Bangladesh.

2.7.1.3 Bargaining power of suppliers

Any accounting firm's suppliers have relatively little power over its client. Why is that? Because accounting firms can choose from a range of vendors for buying necessary materials. Usually, they need stationery, office space, cleaning services, utilities, furniture, and transportation, all of which, an accounting firm can buy from a market consisting of multiple

vendors. That's the reason suppliers do not hold much power when it comes to an accounting firm.

2.7.1.4 Competitive rivalry

Since there are more than 150 CA firms in Bangladesh (The Institute of Chartered Accountants of Bangladesh [ICAB], 2022), the competitive rivalry is at the medium level in the CA industry, given the growing number of public limited companies. Although, companies or organizations have the options to choose from a large number of CA firms when they want to involve a chartered accounting firm for assurance and advisory services. But, a large number of Banks, Insurance Companies, Public Limited Companies (PLCs), and other Private organizations are keeping the competitive rivalry between CA firms at a moderate level. 150 CA firms do not have to involve themselves in fierce competition to acquire clients, given the large client base in the country.

2.7.1.5 Bargaining power of buyers

Bargaining power of buyers scores in the middle of the scale. The fact that companies are required by laws to perform a statutory audit each year reduces the bargaining power of companies. Similarly, companies have no other options except to conduct an annual audit, even if they do not want to. Since it is mandatory for companies and large organizations to take the services of an audit firm, they do not hold much power when it comes to bargaining. This gives the CA firms an advantage over their clients.

Now, let's see whether clients hold any bargaining power over the CA firms. The answer is a mild yes. We have already established that there are more than 150 CA firms in the country (ICAB, 2022). With such a large number of operational CA firms, the companies have the options to choose the CA firm that presents the most suitable offer for the company. In other words, when a company requests tender invitations from different CA firms, they can expect

many responses and subsequently have the option to choose the most financially attractive offer. Having the option to choose from a range of CA firms gives a moderate degree of bargaining power, given that statutory audit is mandatory. Mandatory audit requirement reduces the bargaining power of companies; on the other hand, a large number of existing CA firms raises the bargaining power of companies. So, it is logical to assume that companies' bargaining power is moderate.

To sum up, we can say that, the industry is moderately competitive because of the following reasons:

- The threat of substitutes is zero
- The threat of new entrants and the bargaining power of the suppliers are low
- Competitive rivalry is moderate
- The bargaining power of buyers (clients) is moderate

2.7.2 SWOT analysis

The main purpose of conducting a SWOT analysis is to find out the strength, weaknesses, opportunities, and threats of ACNABIN, Chartered Accountants.

2.7.2.1 Strength

Goodwill, being a top firm, with a large number of qualified employees, and partners who have vast experience from various sectors are the source of strength for ACNABIN. The goodwill is that the audit opinions of the firm have a higher degree of credibility in the market. External users (e.g., Bank, investor) of a company will use the financial statements (FS) audited by ACNABIN with confidence to make investment decisions, for example.

ACNABIN is on the list of the top 5 CA firms in Bangladesh (Sonjib, 2022), and that is helping in attracting more and more clients. Many factors are contributing to being at the top of the list and one of them is the large number of qualified employees that the firm employs. All the qualified employees are contributing by providing their services to different clients with due care and diligence.

As discussed earlier in this report, the audit firm has partners who are experts in various fields. Every partner of the firm shares their views and suggestions from their area of expertise and experience to address any issues. As a result, the diverse perspectives of each partner come into play and helps in making the best decision among all the alternatives.

2.7.2.2 Weakness

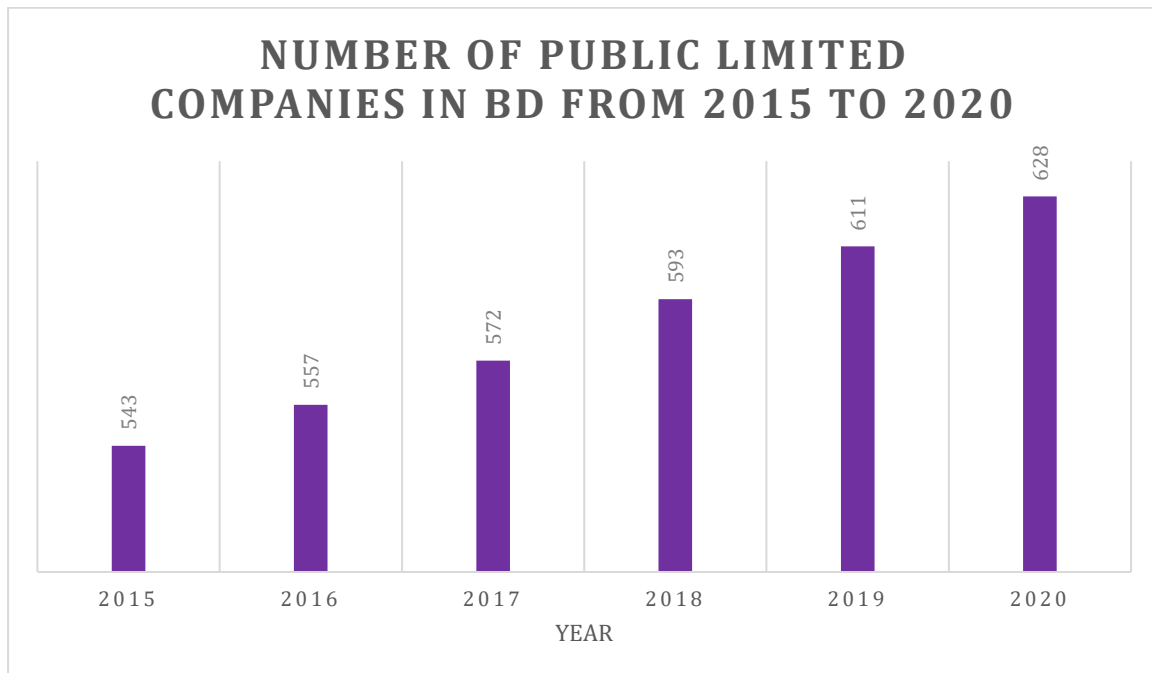
You will see no formal appraisal system at the firm, which can be a weakness leading to poor performance from staff. Because of the non-existence of a formal appraisal system, employee performance cannot be monitored properly, and sometimes, some employees might feel their hard work and contribution are not appreciated enough. Since no formal performance appraisal is operational to show them their actual performance, they might believe in what they feel and start to show deviant workplace behavior (DWB).

On the contrary, a formal appraisal system could prevent DWB because it would track the performance of all the personnel and, reward them accordingly. In addition to that, a formal appraisal system will increase the performance of low-performing employees. They will be motivated to do better when they will see their low performance and compare it with other high-performing employees in the appraisal system.

2.7.2.3 Opportunity

The growing number of Public Limited and Private Limited companies presents a greater opportunity for the audit firm as it increases the demand for the services provided by the CA firms.

Figure 6: Growing number of PLCs from 2015 to 2020



Note¹

Figure 6 (The Global Economy, 2020), shows the upward trend in the number of public limited companies from 2015 to 2020. In the year of 2015, there were 543 PLCs in Bangladesh and with each subsequent year, the number of PLCs increased till 2020. And in the year 2020, the number stood at 628. We know the regulatory requirement of mandatory audits for public limited companies. As the number of companies has increased significantly with each year, so does the demand for audit and assurance services. This upward trend of PLCs is a great opportunity for all the audit firms in Bangladesh.

¹Adapted from “*Bangladesh listed companies*”. Copyright 2020 by the Global Economy.

2.7.2.4 Threat

When Enron collapsed back at the end of 2001, the news had shaken the people of the whole world. Many people committed suicide because it was too hard for them to become bankrupt overnight from millionaires. Arthur Andersen, an auditing firm, knew too well about the business malpractices from the very beginning, but never gave any hints. They provided reasonable assurance on the financial statements of Enron, even though frauds and material misstatements were lurking in those financial statements. After the collapse of Enron and Arthur Andersen, people from all parts of the globe lost their faith in the audited report to its entirety. However, years of effort to make new regulations, strict laws, and increasing the monitoring policy has helped finally in regaining public faith in the audited report.

If mass people and external users of audited reports started to lose faith in assurance services again because of some events, that would be the greatest threat to any CA firm.

Secondly, another kind of threat for audit firms is that partners are signing an audit report and later encountering lawsuits because of providing wrong audit opinions. When a partner of a firm is tried in a court of law for his wrong audit opinion, the credibility of that firm falls to an unimaginable level. As a consequence, that firm loses its valued client and incurs huge losses, sometimes huge losses along with the cancellation of the practice license.

To mitigate the threat of losing public faith in assurance services and encountering lawsuits against partners of the firm for providing wrong opinions, CA firms need to be mindful of their business practices.

In conclusion, we conclude from the SWOT analysis that, ACNABIN has distinctive strengths in having qualified partners and goodwill in the market. A common strength of ACNABIN is that they have a large number of employees which many of the CA firms in the country possess. Offering a range of services to its valued clientele is the imitable strength of the

firm. The reason we are calling it imitable strength is that any firm with a large amount of capital and qualified employees can offer a large range of services. On the whole, ACNABIN's competitive advantages come from having goodwill in the market, qualified partners and personnel, and a large number of service offerings.

2.8 Summary of chapter 2

ACNABIN, Chartered Accountants, started their journey back in 1985 with less capital and less manpower. From then on, since its inception, the firm has continued its continuous growth and now placed itself as one of the top firms in Bangladesh. Additionally, the firm's broad range of services is well-appreciated by its esteemed clients. Its mission is to be the trusted advisor in the market which complements its vision of prioritizing client confidentiality by every necessary means. All nine partners of the firm are relentlessly working for the fulfillment of its mission and vision. As far as the management practice is concerned, we have noticed a democratic leadership style at ACNABIN, which is greatly facilitating the achievement of the goals and objectives of the firm efficiently and effectively. Chapter 2 also highlights the recruitment and selection process of article students and personnel. Article students need to participate in written exams and interviews after registration and on the other hand, recruitment of personnel involves only interviews after registration. Moving on, ACNABIN has two types of training programs, one type is for article students who are with the firm for 1.5 years or more. And, another type is dedicated to the article students who with the firm for less than 1.5 years or so. As a matter of surprise, there is no formal appraisal system at ACNABIN. Next, marketing practices do not apply to the firm as we know that no CA firms can advertise themselves commercially as per the Chartered Accountants Act, 1949. When asked about the financial statement of ACNABIN, the firm denied the request as per their policy manual. Besides, the accounting basis and depreciation methods are cash basis and straight-line depreciation method respectively. As far as the operations management is concerned, the firm

has a dedicated QUAAD team, Partner's review, and Director's review for ensuring the quality of its services. The information system usually allocated resources and records employees' data by using an ERP system. Then, Porter's Five Forces analysis suggests that the firm is operating in a moderately competitive industry in which the threat of substitutes is zero, the threat of new entrants is low, the bargaining power of suppliers is low, competitive rivalry is moderate and the bargaining power of buyers is moderate. SWOT analysis reveals goodwill in the market, qualified partners and personnel, and a large number of service offerings provide competitive advantages for ACNABIN, Chartered Accountants.

2.9 Recommendations and suggestions

Based on my three-month internship experience and personal belief, I have merely provided some suggestions. These suggestions do not intend to highlight the lacking of the firm but rather suggest areas for improvement.

- Provide trainees (article students) more time for studying
- Introduce more training program
- Improve restroom cleanliness
- Establish a cafeteria or canteen for the employees
- Introduce a formal appraisal system
- Increase allowances for the trainees.

The justification for the offered suggestions would be provided in the paragraphs that follow. Providing trainees with more time to study shows the firm care about its trainees. As a consequence, trainees get internal motivation and are more likely to show a higher level of work performance.

Introducing more training programs for the trainees would result in higher work performance. When trainees' performance increases due to an incremental number of training programs, the quality of the services that the firm offer will automatically rise.

It would give a negative message to clients when they visit the firm and use the restroom in some instances and find it not up to the mark. I think that's one reason enough for employing cleaners who would be responsible for maintaining the restroom's tidiness and cleanliness regularly.

Currently, you will find no cafeteria for employees at ACNABIN. At present, employees go outside and take more than the necessary time for taking lunch, which is killing valuable employee work hours. An initiative to set up the firm's cafeteria would stop the wasting of valuable employee work hours.

Moreover, a formal appraisal system could track employee performance efficiently and effectively. Underperforming employees would learn about well-performing employees from the performance appraisal and would work on themselves to improve their performance.

Lastly, allowances for current and new article students should be raised because of rising inflation and living costs. We all know how prices of staple goods and rent for living space are on the rise at this current time. A raise in allowances would help the firm's trainees in coping with this outrageous rising inflation and living costs.

Chapter 3: Project Part

3.1 Introduction

We start the introduction of the project part from here on. This section of the chapter consists of a literature review, objectives, and significance of the study.

3.1.1 Literature review

The Latin word *audire*, which means “to hear” is the root of the English word “audit”. Many authors have defined audit. An organization's books, accounts, records, and vouchers are systematically and impartially examined as part of an audit to determine whether or not the financial statements accurately and fairly depict the business (Power, 1998). According to Mahdi (2011), an audit is an act of looking at data, registers, procedures, and circuits to express an opinion.

During the period of ancient Mesopotamians, Egyptians, and Babylonians, people started to keep records of their economic transactions. Meanwhile, at that time, mass people felt the need of examining economic transactions by an independent party for enhancing the credibility of the information. According to Ajao et al., (2016) the auditing procedure is thought to have started around 400 BC when the ancient Egyptians and the Babylonians developed a system to monitor storehouse inventory for wealthy individuals. Inventory counting is the modern term for the old practice of independent parties tracking storehouse inventory movement for wealthy people. Ajao et al., (2016) also found that around 400 BC, auditors only provided oral forms of assurance to the concerned Babylonians or Egyptians affluent people.

Later around 350 B.C., checking of economic assets performed by independent third parties became prevalent in ancient China, Greece, & Egypt and, this checking activity from the ancient period is the closest form of auditing (Lee, 1993). For example, ancient auditors would

check the treasures or assets brought by sailors from different locations for the merchants and would certify their genuineness. Likewise, historians have found similar economic asset-checking activities in Italian city-states around that period (Ajao et al., 2016).

Gradually, ancient auditing practices broadened the audit's area of work beyond simply validating assets. According to Gul et al., (1995), when England established Exchequer² during the reign of Henry I (1100-1135), the concerned authority assigned distinct audit officers for examining the recorded incomes and expenses of the state. They also trace the development of testing the accounts of government officials by audit officers in 1394 in the city of Pisa to find out if any scam had taken place.

From our discussion till now, we can say that auditing practice started as early as 350 BC. However, audit procedures became widespread during the advent of the industrial revolution because of the establishment of large companies and factories. Small investors committing their financial resources needed the verification of accounts and financial statement prepared by the company so that their financial interests were not harmed. As a consequence, the Company Act of 1844, mandates the appointment of auditors for Public Limited companies, but the statutory audit was made compulsory in 1900. Research by Teck-Heang and Ali (2008) suggests that auditors were responsible only for reviewing books of accounts and, preparing financial statements during the outset of the industrial revolution. In addition to that, the authors mentioned that no auditors emphasized over internal control system during that period of the industrial revolution.

As observed by Porter et al., (2015) during the period from the 1920s to the 1960s, the following developments occurred in auditing procedures:

² A ministry or office of government in medieval England tasked with managing and collecting royal revenue and evaluating all revenue-related disputes.

- Use of sampling techniques
- Accumulate evidence from both internal and external source
- Start of auditing of Profit and Loss statement, however, auditing of the balance sheet was of primary focus
- Depending on the internal control system
- Focus on the fairness and true view of financial statement

The period (the 1920s to 1960s), we are talking about had seen its bad days such as Wall Street Crash, Great Depression. However, economic intellectuals and many authors have agreed on the tremendous economic growth after the unstable events. With economic growth came a greater number of expansions of private and public limited companies which raised the investment by investors in the share market significantly. For safeguarding the interest of investors and other external users of financial statements, concerned authorities consolidated the auditing process by including more scientific techniques and procedures.

According to an investigation by Teck-Heang and Ali (2008), a significant development occurred in the auditing process after the 1960s, in which the focus on internal control systems increased many folds. Furthermore, they also added that auditing relied on analytical procedures heavily as this was less costly and less time-consuming. Teck-Heang and Ali (2008) further observed that providing advisory services to clients became highly prevalent between the 1960s to 1990s. The world has seen the most rapid changes in all aspects of life after the 1990s, starting from the educational system, banking system, credit policy, economic condition, geo-political condition, living standard, technological development, and modernization to auditing roles and responsibilities. Leung and his coauthors talked elaborately about how and what changes occurred in auditing roles from the 21st century to the present day in their book named “Audit and Assurance”. According to Leung et al., (2019), auditing practices focused on ensuring the integrity of financial reports, meanwhile, auditors kept non-

audit services such as advisory services separated. Authors of “Audit and Assurance” observed that auditors in the contemporary period highly focused on risk attention, objectivity, fraud awareness, and independence along with prioritizing the needs of external users of financial statements.

3.1.2 Objectives of the study

3.1.2.1 Broad objective

The objective of the present work paper is to investigate the reasons for fewer students from private universities pursuing the CA profession.

3.1.2.2 Specific objectives

- i. To determine the number of students from public, private university and national universities undertook article ship in a CA firm
- ii. To identify the reasons for the lower number of article students from private universities joining CA firms.
- iii. To find out ways to increase enrollment in the CA profession from private universities

3.1.3 Significance of the study

The findings of this study will help the concerned CA firms and ICAB. You will notice the reasons for fewer portion of private university students joining CA firms in the findings and analysis section (3.3). The reasons will assist CA firms in the country to take relevant actions and steps for increasing the number of article students from different private universities.

Some curious students from public universities might ask why would CA firms want more private university students as article students. They already have talented students from public and national universities doing article ship at different CA firms. That’s a very reasonable

question to be raised, however, a comparison between the required skill for auditors and common skills of private university students will justify the question raised.

Table 2: Required skills for an auditor

Serial no	Required skills
1	Communication skill
2	Interpersonal skill
3	Business acumen
4	Critical thinking ability
5	Analytical skill
6	Professional skepticism

Note³

It appears in table 2 (Koyen, 2018; Anunciacion, 2019), that auditors need communication skills, critical thinking ability, business acumen, professional skepticism, and interpersonal skills to excel in the area of auditing. My personal belief is that most of the required skills of an auditor can be found in a graduate from a private university. According to Farooqui (2007), many researchers have pinpointed to date that, graduates from private universities are quite better at communication and interpersonal skills. It is a common piece of wisdom that 4 years of the BBA program at a private university are enhancing the business acumen of its students. Additionally, research findings by Rowles et al., (2013), points toward private university students having critical thinking ability and analytical skill. So, public or national university students do not have a monopoly over the necessary skills for auditing. Most students from private universities possess the required skills for being an auditor.

To sum up, the number of students from private universities doing article ship is quite insignificant, even though, they hold the necessary skills of being an auditor. This study is relevant for CA firms as they can get to know about the reasons for the lower ratio of private university students in CA firms. After learning about the causes for the lower ratio, CA firms

³ Adapted from “Skills auditors need to succeed and 9 Critical skills to enhance your audit career path”. Copyright 2018 by Forbes and Workiva.

can take necessary measures for increasing the number of article ships from private universities.

3.2 Methodology

3.2.1 Research type

This study follows the pattern of qualitative research since we aim to find out the specific reasons why there is less participation from private university graduates in CA firms. Besides, I have used the deductive approach in which I established the theory first and subsequently collected data to check whether the proposed theory stands. The justification for using the deductive approach in preparing this research is, that there are already many existing theories confirming few private university graduates in CA firms, and based on the existing theories, this research paper formulates a hypothesis⁴.

3.2.2 Research Strategy

So far, we have known the research type which is qualitative, and here the focus is on research strategy. It is known to many that exploratory research strategy applies to topics on which few researchers, if not any, have worked. The strategy for this research is exploratory (i.e., exploratory research) because the topic of the research is not explored yet, in fact, there are not many articles or reports available on the topic. This laid the foundation for selecting the exploratory strategy as a research strategy.

⁴ Fewer private university graduates join CA firms after completing their graduation.

3.2.3 Sampling strategy

You will observe the non-probability sampling strategy used in this report named “Factors resulting in fewer number of students from private universities to pursue the CA profession”. Before talking about why was non-probability sampling method chosen, let's learn about the population for this report. The population consists of article students who are working at different CA firms and meanwhile studying to pass all the levels of the CA exam. The size of the population is significantly large as 167 CA firms are operational in Bangladesh in which each firm has at least 50 article students.

Now, the reason for selecting non-probability sampling is that I could not randomly select CA firms for a survey. Even though I contacted different CA firms and the ICAB asking about the distribution of article students, they denied my request owing to their policy of confidentiality. Hence, I have no other option but to conduct my survey at ACNABIN only.

3.2.4 Data collection method

As you can notice in table 3 (below), this report's data were collected using both qualitative and quantitative methods. I have conducted several in-person interviews asking about their opinions regarding the research topic, which matches the characteristics of the qualitative data collection method.

Table 3: Data collection methods

Data collection method	Activities performed
Qualitative	Interview
	Focus group

Quantitative	Survey
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Additionally, I have organized focus group discussions with my colleague at ACNABIN, which too goes with the features of the qualitative data collection method. Both the interview and focus group discussion aim to know the various reasons for the smaller number of private university graduates undertaking article ship in different CA firms.

Next, for this report, article students of ACNABIN have been chosen as a sample and surveyed, which is a type of quantitative data collection. The purpose of the survey is to know how many article students at the firm are from private, public, and national universities respectively.

3.2.5 Methodological limitations

3.2.5.1 Sampling issues

For this study, the non-probability sampling method has been used (i.e., the convenience sampling method has been used) which might not entirely represent the population. Although the use of the probability sampling method or simple random method could bring forth more precise outcomes relevant to the study, we could not use it because of limited access. To verify the convenience sample outcome, I have talked with the Deputy Director of the Education & Students Affairs department of the Institute of Chartered Accountants of Bangladesh (ICAB). And, he confirmed that sample statistics are nearly accurate.

3.2.5.2 Fewer number of interviews conducted

To be honest, I could not take as many interviews with distinguished individuals as I would like. While I was doing my internship at ACNABIN, I had to stay busy every working day because of my tasks and responsibilities. Because of that, I could not take more interviews as I would like.

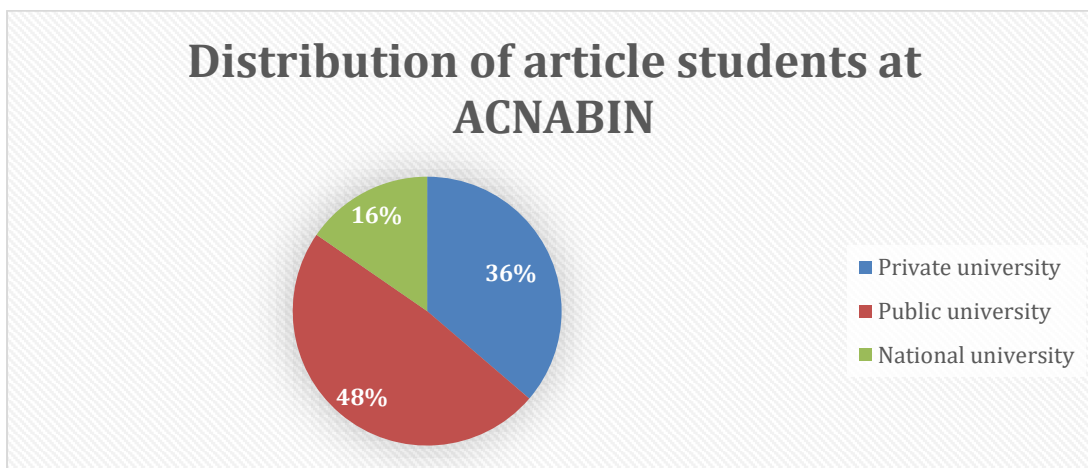
Apart from that, the interviewees are not free most of the time because of their responsibilities, which results in conducting fewer interviews to gather data. Even though I have taken 5 in-person interviews of different persons for collecting data, more interviews could have resulted in a more accurate and detailed discussion about the topic.

3.3 Findings and Analysis

This chapter provides comprehensive detail on the distribution of the article student in CA firms from different types of universities along with the reasons. In other words, a comparison of the article students from private, public, and national universities would be found, and the underlying causes for that outcome have also been discussed. Next, the discussion shifts to the necessary actions that can be taken to increase the enrollment of private university graduates in CA firms in the country.

3.3.1 Ratio of article students from public, national and private universities

Figure 7: Pie chart of student distribution at ACNABIN



As you can see in figure 7, most of the article students pursuing the CA profession are from public universities. 48% of the respondents said they are public university students and doing their article ship at ACNABIN. Next, the finding highlights that 36% and 16% of the article students are from private and national universities respectively. So, at ACNABIN, you will

find the highest number of trainees or article students are from public universities and the lowest number of trainees are from national universities. Trainees who studied at private universities will be in the middle of the scale since they represent only 36% of the population. However, interestingly, the above finding contradicts the observation of S.M. Abdus Shakur, who is the Deputy Director of Education & Student Affairs at ICAB. According to Shakur (2022), the highest number of students pursuing the CA profession are from national universities and the lowest number of students pursuing the CA profession are from private universities (personal communication). He did not hesitate to say that the survey (above findings) was biased and population of ACNABIN does not represent, by any means, all the CA firms in the country. The following table illustrates Shakur’s observation regarding the distribution of CA students from different universities:

Table 4: Distribution of CA students according to Shakur

	Percentage of article students From different universities
National university	Approximately 45%
Public university	Approximately 35%
Private university	Approximately 20%

As shown in table 2 (S. M. Shakur, personal communication, September 1, 2022), the highest number of CA students are from national universities, about 45%, and, on the contrary, the lowest number of CA students are from private universities, about only a mere 20%. This finding is also supported by the Director of ACNABIN of the Audit and Consultancy Department.

Now, we are going to reject the findings of the survey conducted at ACNABIN, which indicates the largest number of CA students are from public universities and the lowest number of CA students are from national universities. The same survey says 36% of the CA students are from private universities, which is true for ACNABIN, but not true, for the distribution of CA

students at other CA firms in Bangladesh. The ground for rejecting the survey result is that CA students' distribution at ACNABIN does not represent the CA student's distribution of other CA firms. Moreover, any student who wants to start the article ship first needs to make registration at ICAB and that's reason enough for accepting the observation of Shakur, who is the Deputy Director of Education & Students Affairs at ICAB.

The following conclusion can be drawn from the above findings that the majority of the CA students are from either public universities (35%) or national universities (45%) and, on the contrary, a minority of the CA students are from private universities (20%). Next, we move on to find out specific reasons for fewer students from private universities pursuing CA careers.

3.3.2 Reasons why fewer private university graduates are seeking careers in CA

Several factors are affecting the decisions of private university graduates not to seek the CA profession. In this section, we are going to address all the underlying reasons why they choose different career paths other than the CA career path.

3.3.2.1 Preference over MNCs or banks

Hossain and Siddique (2015) discovered that about 62.5% of private university undergraduates plan to secure jobs in either MNCs or Banks⁵. The following table would give a clearer picture.

⁵ Hossain and Siddique interviewed 256 final-year business students from private universities to know their job preferences after they completed graduation.

Table 5: Sector-wise job preference of private university undergraduates

Sector	Total
Banking	38.7%
Multinational company	23.8%
Small and medium enterprise	2.0%
NGO	3.9%
Govt. service	7.4%
Entrepreneur	8.2%
Non-banking financial institution	2.7%
Research organization	0.8%
Teaching	11.7%
Others	0.8%
Overall	100%

Note⁶

Table 5 (Hossain & Siddique, 2015), demonstrates that no undergraduate from the survey has shown any interest to follow the career path of pursuing a CA. And surprisingly enough, undergraduates' career preference over banking and multinational companies stands at the top. One of the reasons for private university students not wanting to join as article students in CA firms after their graduation is the existing culture of private universities.

3.3.2.2 Culture of private university

It is normally observed that the culture of private universities encourages students to join large multinational companies (MNCs). Honorable faculties of private universities encourage their students to join MNCs or to set up their businesses (S. M. Shakur, personal communication, September 1, 2022). For instance, I can name a dozen of faculty names at Brac university who have provided suggestions on how to nail a job interview, what banks and MNCs should we

⁶ Adapted from Career Preference of Business Graduates in Bangladesh. Copyright 2015 by Hossain and Siddique.

join, how to take preparation for getting a well-paid job after graduation, and how to enhance my resume by participating in the case competition. This culture of encouraging students to join MNCs or banks is quite common in most private universities in the country, which is by all mean for the betterment of its students.

So, we can conclude that fewer and fewer numbers of faculty at private universities discuss pursuing a career in the CA profession. For example, I have completed 42 courses (126 credits) at Brac university and none of the faculties from 40 courses talk about CA career in their classes.

Another reason private university students are less inclined to pursue the CA profession is that MNCs sponsor road shows, club events, and other events at the university. MNCs are promoting their brand by sponsoring various university events (e.g., Battle of mind, summer salt, Fintro) and these promotional activities are influencing students' career path decision-making to a significant extent.

In short, private universities' cultures are shaped in a way in which faculties encourage students to join MNCs after graduation. Also, MNCs promote their brand or organization at private universities extensively. These reasons are leading to fewer and fewer graduates pursuing the CA profession. But what about the allowances provided by CA firms to its article students? Does the lower allowance amount provided by CA firms play any significant role?

3.3.2.3 Allowance provided by CA firm

Allowances provided by CA firms in Bangladesh are marginally low which is causing private university graduates to choose MNCs or banks over CA firms. To be specific, an intern would receive Tk 3,000 on average, a trainee would receive only Tk 5,000 on average takas per month. It should be mentioned that different CA firm provides different allowance amount to their trainees, but this difference in allowances amount among CA firms are significantly low.

This low amount of allowance offered to its trainees is playing a crucial role for private university students to select banks or MNCs over the CA career. Private university graduates can easily get entry-level jobs at MNCs or banks with a starting salary of 15,000 to 30,000. In fact, in January of this year, Bangladesh bank issued a circular stating that entry-level salary at the bank must start from Tk 28,000 (Hasan, 2022). To sum it up, the lower amount of money provided as an allowance to trainees discourages private university graduates to pursue the CA profession.

3.3.2.4 Higher degree of exam difficulties and lower completion rate of CA degree

No one would claim that the CA examinations are simple. Every person who has passed the CA exams acknowledges the difficulty level of CA exams and puts priority on perseverance. Since CA exams are way too much difficult, very few article students could able to complete a CA degree. At ACNABIN, the CA degree completion within the CC period is less than 35% (M. A. Hoque, personal communication, June 5, 2022). This exam being very tough and a lower degree completion rate are just a couple of the reasons for not seeking a CA degree by undergraduates from private universities.

3.3.2.5 Less awareness about the CA profession

Many students do not have any idea about the CA profession and it is not their fault. According to the Chartered Accountants Act, of 1949, all the CA firms operational in Bangladesh must prevent themselves from engaging in any sort of activities that would be deemed as promoting its firm. Since Chartered Accountants Act of 1949 prohibits CA firms to advertise their firm, many students are unaware of the CA profession.

On the contrary, MNCs, banks, and other corporations can advertise their company in both the online and offline world. As a result, more and more students are aware of banks and MNCs. To repeat, CA firms can not advertise their firm, which is resulting in less awareness among

students about the CA profession, and this less awareness causes fewer undergraduates to pursue the CA profession.

3.3.2.5 Other reasons

Apart from the above 5 reasons, there are lots of other factors that are contributing to fewer numbers of private universities undergraduate seeking the CA profession. One of the factors relates to the long duration of the CC period. All the CA students need to work for 3 years in an audit firm which is one of the requirements for completion of the CA degree. This 3 years of work experience is known as the CC period and, during the CC period, a CA student cannot work in any other organizations. 3 years of prolonged CC period along with an allowance of Tk 5,000 to 6,000 each month are quite demotivating for private university graduates and as a result, they don't pursue CA profession (M. Rahman, personal communication, September 6, 2022).

Many private university graduates take care of family businesses after completing their BBA and some others try to go abroad. The inclination of going abroad is higher among private university students than that of public, which is causing the low number of article students from private universities.

Lastly, a private university student can contact her varsity alumni to get help in securing a job at a bank or MNCs. The alumni, who are already working in banks or MNCs, can help the current undergraduate to secure a job in banks or MNCs. So, the current students are more likely to contact their alumni for getting jobs at banks or MNCs, instead of joining CA firms as article students.

3.3.3 Ways to increase enrollment in CA profession from private universities

After discussing the reasons that are leading to private university graduates pursuing the CA profession, we are now going to address the ways that will likely increase the distribution of the article students from private universities.

3.3.3.1 Raise awareness

The first thing that is required from CA firms, if they want to increase enrollment of CA students from private universities is to raise awareness about Chartered Accountancy. It would immensely help the cause if CA firms could hold seminars at different private universities in which discussions about the CA career will be made. Already, Brac University has taken initiative to raise awareness about the CA profession, thanks to the FINACT club. On 25 April this year, FINACT organized a seminar named “Career Insight: Future in Accounting” in which Muhammad Aminul Hoque from ACNABIN discusses the CA profession (The Business Standard, 2022). Similar seminars, workshops, and events undertaken by CA firms at private universities would enormously raise awareness about the profession, which will result in additional enrollments at CA firms from private universities.

3.3.3.2 Recruitment of ACA at private universities

Associate Charter Accountant (ACA) who has completed both theoretical and practical parts of the CA degree. The practical part includes working at a CA firm for at least three years and the theoretical part includes passing all the subjects from three levels. When an article student completes the practical part, she has completed her CC period. However, to pass the CA degree, an article student needs to complete both the practical part (CC period) and the theoretical part. When an article student passes the CA, she becomes an Associate Charter Accountant or we

can call her ACA. Now, moving on to how recruitment of ACA at private universities will help in enrollment.

An Associate Chartered Accountant, having vast knowledge about the CA profession, can motivate undergraduates to join a CA firm. According to a recent study by ICAB (2022), 31% of the article students joined CA firms because they were guided and motivated by their faculties. So, faculties play an important role, and recruiting ACA as faculties at private universities would surely raise the enrollment of private university undergraduates.

3.3.3.3 Raising the allowance of article students

We have already mentioned that allowances received by article students are marginally low and this is one of the prime reasons for fewer article ships from private universities. As you can see in below table 6 (Rahman, 2021), article students depending on which article ship year, will get within the range of Tk 4,000 to 5,500.

Table 6: Current allowances of different year article students

Article students	Allowance (per month)
1 st -year article student	Tk 4,000
2 nd -year article student	Tk 4,500
3 rd -year article student	Tk 5,000
4 th -year article student	Tk 5,500

Note⁷

These lower allowance amounts are problematic and by raising the allowances, CA firms can increase enrollment of article students from private universities. CA firms cannot increase their allowances by themselves. The governing body of all the CA firms, ICAB, needs to take the first initiative in this regard.

⁷ Adapted from “All information about studying CA in Bangladesh”. Copyright 2021 by Rahman.

3.3.3.4 Discrediting myths regarding CA profession

Following are some of the prevailing myths about the CA profession:

- Numbers are everything is CA
- Article students need to study at least 14 to 16 hours per day
- Student needs to be from a Commerce background
- Limited job scope
- Completing the CA degree is near to impossible

All the above beliefs about the CA profession are lies that are holding back many bright talents from joining CA firms. Firstly, article students need to learn about IT, Management, Business Law, Auditing, Taxation, and Accounting during their article ship period. It is not about sitting in front of a laptop or PC and working on Excel that article students do. Secondly, studying hours should be at least 14 hours for passing CA courses which is also a myth. The distribution of studying hours varies from student to student. Evidence suggests maintaining consistency and studying regularly is important for passing the CA course. Then, it is not mandatory to be an accounting or finance specialist to pursue the CA profession, students from Science and Art backgrounds can also pursue the CA profession.

Moving on, many people believe that the CA degree provides limited job scope in which a person completing CA from Bangladesh will be doing jobs only in Bangladesh and not in any other countries such as India, Canada, and Australia. This is entirely a lie. An Associate Chartered Accountant passing a CA degree from Bangladesh can get jobs easily in different countries. For example, nearly 35% of CAs from Pakistan are working in countries other than their home countries and the proportion for Bangladesh is quite similar to that of Pakistan. Lastly, we are going to talk about the most omnipresent myth about the CA course, that is, passing CA is near to impossible. People who believe that are depriving themselves of the truth.

It is true for CA to be one of the toughest degrees to complete, but with perseverance and discipline, anyone clears the CA exam.

All the above-mentioned myths are quite prevalent among private universities which are pushing away graduates to join organizations other than CA firms. In this regard, concerned authorities (CA firms and ICAB) can initiate awareness programs for discrediting those myths. As a consequence, more and more private university graduates will join CA firms raising the number of enrolments in CA firms.

3.4 Conclusion

This study set out to determine the reasons for fewer private university graduates pursuing CA, and what necessary actions can concern parties take to increase enrollment of private university graduates in CA firms. The following conclusion can be drawn from the present study, that is private university graduates represent the lowest portion of the distribution of article students, whereas national university students represent the highest. In other words, most of the article students at different CA firms are from national universities in Bangladesh. The present study also describes the reasons for fewer numbers of private university graduates pursuing a CA. Private university undergraduate's preference for banks or MNC jobs, the culture of the private university, lower allowance amount provided by CA firms to its article students, exam difficulty level, lower rate of CA degree completion, less awareness about the CA profession, and some other reasons are the crucial factors that are leading to fewer and fewer graduates from private university pursuing CA profession. To attract private university students toward CA, concerned authorities and CA firms need to raise awareness about CA, discredit existing myths about CA, increase article student allowances and recruit ACA as faculties at private universities. Further research recommendations on the topic are the effectiveness of the teaching method of the CA degree, strategy to maintain the work-life balance of article

students, opportunities in the market for Associate Chartered Accountants (ACA), and CA firm's top-level management philosophy and mentality and psychological impact of failing to clear CA exams. Future researchers can address this research gap and work on it to explore, analyze and present findings to the relevant parties. Lastly, one matter I want to mention, that is clearing CA exams is tough, let's be honest, what is easy in this life? If something is easy to achieve, then it would not have that much value to people. Accepting the CA exams' difficulty level in the mind as it is and consistently studying are sure to help immensely in achieving a CA degree.

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