

**AUDITING AND INVESTIGATION SKILLS REQUIRED OF ACCOUNTING
EDUCATION GRADUATES FOR EFFECTIVE JOB PERFORMANCE IN THE
LABOUR MARKET**

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ABSTRACT

This paper determined the auditing and investigation skills required of accounting education graduate for effective job performance in the labour market. The concepts of accounting education, auditing, investigation and job performance were discussed in this paper. The paper also discussed auditing and investigation skills, inter-personal skills, specific professional qualifications, and technological skills for effective job performance in auditing and investigation jobs. Some challenges confronting effective training of accounting education graduate were also discussed. It was recommended among others that intensive and relevant training on auditing and investigation skills required of accounting education graduates should be carried out in universities, colleges of education so as to enable them on graduation to be employable in auditing and investigation careers. Technological skills should be emphasized at the undergraduate level of accounting education programme. Educational sectors also need to provide auditing and investigation skills training required for accounting education students before their graduation.

Keywords: Auditing, Investigation, Accounting Education, Job Performance, Labour Market.

Introduction

Many accounting practitioners have expressed dissatisfaction with the level of accounting knowledge and skills exhibited by their new employees upon graduation from college. Career Guide (2023), stated that, there are most relevant skills accounting graduates need to possess in order to provide the best service and solutions to business

organizations. Auditing and investigation are among financial accounting skills every graduate must possess in order to excel in accounting profession. Auditing and investigation can be seen as both internal and external control over financial reporting. According to public company Accounting oversight Board (PCAOB, 2007), auditing and investigation provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes.

According to the Institute of Chartered Accountant of Nigeria (ICAN 2021) defined auditing as a systematic process of objectively obtaining and evaluating evidence in respect of certain assertions about economic actions and events, to ascertain the degree of correspondence between those assertions and established criteria and reporting the results to interested parties. Institute of Chartered Accountant of Nigeria (ICAN, 2021) also define Audit as an official examination of the accounts (or accounting system) of an entity (by auditor).

Auditing according to Shah (2016), is the examination or inspection of various books of accounts by an auditor followed by physical checking of inventory to make sure that all departments are following documented system of recording transactions. That is auditing is done to ascertain the accuracy of financial statements by the organization. Audit can be done internally by employees or heads of a particular department and externally by an outside firm or an independent auditor. The idea is to check and verify the accounts by an independent authority to ensure that all books of accounts are kept in a true and fair manner and there is no misrepresentation or fraud that is being conducted. In order to ascertain the true and fair view of financial statement, there is need to conduct an investigation.

An investigation refers to detailed verification and clarification of doubts about any transaction made by accounts departments. It is the effort made to uncover the facts following a specific condition in order to find out the truth. Investigation is also known as special audit. Millichamp in Okolie, (2021) sees investigation as simply examination of or enquiries into something or somebody or an enquiry commissioned by a client for some purposes. Investigation involves a detailed examination of accounts and enquiry into the state of affairs of the business or for a specific purpose. It involves the process of analysing, collecting and presenting facts in a manner which enables the parties to know the essential facts regarding the matter under enquiry. Investigation is conducted in deduction of suspected fraud and theft in the book of account, to identify causes for continuous loss and low productivity and to evaluate the credit worthiness of business. This evidence will be extracted from such information as: oral statements, documents, records and the auditor's own observations. The auditor must ensure that the evidence that is collaborated must not only be relevant to the purpose of the audit, but should be accurately documented in the audit records and it must be subjected to verification. It is a process that checks whether the accounts are properly maintained as per required norms or whether all procedures have been followed in the book of account.

Conceptual Review:

Accounting Education

Accounting is the language of business and it used to communicate financial information. Accounting as a profession has a very important role to play in the economic development of any nation. Carnegie et al, (2020) defined accounting as a technical, social and moral practice concerned with the sustainable utilization of resources and proper accountability to stakeholders to enable the flourishing of organizations, people and nature. Freedley, (2016) defined accounting as a practice and body of knowledge concerned primarily with method for recording transactions, keeping financial records, performing internal audits, reporting and analyzing financial information to the management, and advising on taxation matters. Therefore., accounting can be said to be a systematic process of identifying, recording, measuring, classifying, verifying, summarizing, interpreting and communicating financial information. Accounting reveals profit or loss for a given period, and the value and nature of a firm's assets, liabilities and owners' equity. The field of accountancy involves the study of accounting, auditing, finance, financial management and tax.

Accounting education provides the labour market needs of qualified and trained manpower to keep pace economic and social environment. Accounting Education, according to Romanus and Armstrong (2014), in Wells (2019), can be looked at from two perspectives. It can be used to describe education for accountants in other words, those instructions designed for potential accountant to acquire professional qualifications. It can also be used to describe the expansion and extension of knowledge and the development of judgment of those who have already become accountant. Accounting education should prepare students to evaluate conditions and situations with full awareness of the moral and ethical considerations involved. Accounting education graduates are expected to possess an array of generic skills.

Therefore, one can deduce that accounting education is the acquisition and development of accounting knowledge for students/trainees and the expansion and extension of knowledge for accounting practitioners. That is to say, accounting education is the training given to those who want to become accountants and means of expanding the knowledge of those that are already accountants.

Accounting education is one of the best ways to ensure a successful career in business. Accounting education occupies a distinct position as it represents the reflective mirror of financial and economic performance and the backbone of economic units. Akpan, (2020), Accounting Education can be defined as a field of specialized programme of training offered by Vocational Education in the Nigerian Educational system to prepare and equip individuals with equalized act behaviour reproducing cognitive, affective, psycho-motor and competent skills. It is recognized as an integral part of General Education. Accounting Education Training accompanies a set of aims and objectives in preparing prospective learners for the labour market and these aims are positively effective. Thus, it serves as training of graduate accountants and accounting officers who are adequately equipped to meet the accounting skills acquisition for self-employment of modern businesses, employment opportunities with workable skills, in socioeconomic, political and technological needs of the nation's economy.

Therefore for accounting education graduates to meet up with global demands, they are required to have certain auditing and investigation skills to be competent in their

competitive workplace and above their professional knowledge. And to maintain professionalism, accountants must be abreast with the release of both local and international standards and emerging theoretical and practical postulations skills such as auditing and investigation skills.

However, educational institutions have the responsibility of preparing their students and equipping them with up-to-date information and necessary skills for real life situations. Wells in Okafor, (2018), rapidly changing and dynamic business environment of today depends on meeting the expectations of the business world and the survival of educational institutions. More so, the changing nature of the graduate labour markets also requires a continuous assessment of the adequacy of accounting education graduates' knowledge and skills. The rise in financial scandals at the beginning of the twenty first century, the need to respond to this modern organized fraud therefore calls for the auditing and investigation skills by accounting education graduates.

Many accounting practitioners have expressed dissatisfaction with the level of accounting knowledge and skills exhibited by their new hires upon graduation from college. In fact, according to Cory and Pruske (2017), Stated that changes in accounting education have come from the accounting profession since the inception of university programs, they further noted that, lack of adequate performance of accounting education graduates as an issue has become more complex as accounting has moved beyond the use of pencils, erasers, and 12-column worksheet paper to embracing the technology of today's modern business environment. In short, accounting education graduates need to understand and master accounting-related skill such as technological skills, interpersonal skills, and professional skill with topics associated with technical innovations including hardware and software in order to be productive starting with their first day on the job. And in order to function in today's diverse business environment, other accounting related skills and topics are very essential in the labour market, such as auditing and investigation skills with proficiency in a second language and creativity in problem solving.

Furthermore, accounting as a social science, plays significant roles in the society. Accounting education should therefore reflect the identified needs of the society and especially of business where future graduates from these institutions would most probably work. Proponents of this line of argument content that accounting education students, as potential members of the labour force should possess required skills to function in the workplace (Mohamed and Efiang, 2016).The reality forces accounting educators to learn what the business world demands from graduates for effective job performance in their future careers. Old curricula and teaching methods are insufficient to meet the demand of employers.

In addition, graduates are required to have certain skills and attributes to be competitive in the workplace over and above their professional knowledge.

Also corporate accounting scandals that happened in recent years have proved that some skills and attributes, such as ethics, honesty, and awareness of responsibilities are very important, Pprofessional knowledge alone is not sufficient and is not able to fill the gap emerging from the absence of these attributes. Since auditing and investigation are process of reviewing and investigating any aspect of a business, whether financial or non-financial institution. Auditors are fully trained to spot areas of needed improvements, potential dangers and incidents of unethical conduct in their area of expertise. It therefore seems that

the problem lies with the acquisition of basic auditing and investigation skills needed by accounting graduate as there seems to be ineffective performance of the present accounting graduates in the actualization of auditing and investigation objectives.

Auditing and Investigation Skills Required of Accounting Education Graduates

Auditing and investigation skills are very important skills required of accounting education graduates for effective job performance in the labour market. Accounting education graduates requires some skills and attributes to be able to perform, effectively in auditing and investigation profession. accounting education graduates need to have high competitiveness in placing themselves in order to succeed in their profession. According to Amanuddin, et al, (2015) most fresh accounting graduates have been facing toughest challenges and competitions in getting employed into auditing and investigation field of accounting profession. This is as a result of lack of required and acceptable skill required of accounting education graduates. Furthermore, graduates today are also faced great challenges in meeting the market demand based on skills. Employers or organizations would want to employ graduates for several underlying reasons such as the knowledge and ideas they can bring to their organizations, their willingness to learn and speed of learning, their flexibility, adaptability and ability to deal with change, problem-solving and synthetic skills and the impact they have on innovations (Uyar and Gungormus, 2017). Only the graduate with better skills and competencies will be able to meet these challenges and fit in the labour market.

Generally, auditing and investigation skills that accounting graduates should possess includes communication skills (oral and written), interpersonal skills, awareness of ethics, problem solving, decision making, critical thinking, analytical skills, teamwork, continuous learning, self-motivation, flexibility, time management etc (Digabriele, et al in Uyar & Gungormus 2017). They perceive communication and analytical-based skills as the most important qualities required for a successful auditing and investigation career. And also Information Technology (IT) is very important in auditing and investigation profession. The extent to which IT content is important in auditing career cannot be over emphasized. Therefore, every accounting education graduates who intend to become an auditor must be IT friendly to meet up his/her employer expectation level.

Meanwhile, the skills needed in an accounting profession have been reviewed by the Accounting Education Change Commission. AECC, in Amanuddin, et al,(2015) stated that, the skills needed for accounting profession includes; intellectual skills, communication skills and interpersonal skills. The accounting profession held these skills at a high esteem and they emphasize the need for fresh graduates and students to learn these accounting skills. Furthermore, the accounting skills that is required of accounting fresh graduates as recognized by the Quality Assurance Agency (QAA, 2006). They include: management skills, communication skills, technical skills, critical thinking skills and group commitment skills. Moreover, the International Federation of Accountants (IFAC, 2003) narrows down the skills into three, intellectual skills, interpersonal skills and communication skills.

Interpersonal Skills

Interpersonal skills are the skills that the auditors use to interact with other people. The auditors need these skills in order to be able to effectively communicate with others,

build relationships, and resolve conflicts. Interpersonal skills are important for understanding others' perspectives, sharing ideas and resolving disagreements in the workplace. The ability to provide input and seek others' feedback is also essential in auditing and investigation profession.

Interpersonal skills identified by AICPA (2020), included strategic thinking, critical thinking, communication and leadership skills. Accountant today are expected to be able to link data knowledge, provide quality advice for strategic decision making, give and enhance information with meaningful context as well as influence and motivate others. Good communication skills are important in an organization. Accounting practitioner, emphasized that accounting graduates should have good communication skills. Communication skills includes; effective reading, writing and speaking. When accounting graduates become accountants, they are responsible to deliver messages to business executives, investors and financiers, they should be able to explain financial performance and theory use clearly and discuss they impacts on financial decision.

Technological skills

Today computer competency skill is a very important part of an accountant's technical ability. All companies use some form of a computerized accounting system, such as Quick Books, Peach tree, or MYOB or SAP, SAGE and several other accounting software enabled by information technologies. In fact, there is no single organization whether it is a small, medium, or large enterprise that does not use some accounting software to manage its accounting transactions and reports. These systems use a variety of computer functions to properly record financial information and create financial statements and reports. Thus, accounting application software solutions are pervasive in industry and employers expect accounting graduates to have good mastery of these accounting software. MYOB, Quick books, Net Suite, Account Edge and Sage Peachtree are some of the most popular accounting software used by business organizations all over the world. This accounting software helps business organizations to manage inventory, customers, vendors, employees, payroll, general ledger, accounts payable, account receivable, time billing, costing, banking, fixed assets, financial statements and reports. This software is information-technology enabled now and is typically embedded in various advanced IT solutions such as SAP. One of the important technical skills employers want accountants to posses is the mastery of accounting software.

The Professional qualifications required by an accounting education graduate to work in an audit and investigation firm.

Auditor must be professionally qualified. And qualification according to Eurydice (2016), is an assessment and validation process which is obtained when a competent body determines that an individual has achieved learning outcomes to given standard and possesses the necessary competence to do a job in a specific area of work. In this regard qualification confers official recognition of the value of learning outcomes in the labour market and in education and training.

For an accounting graduate to be professionally qualified, the person must be a member of a body of accountants in Nigeria established from time to time by an Act. Section 358 (1) (CAMA 1990, According to this Act, A person shall not be qualified for

appointment as an auditor of a company for the purpose of this unless he/she is a member of any of these accounting professional bodies. Institute Chartered Accountant of Nigeria (ICAN). Or Association of National Accountant of Nigeria.(ANAN). To become an internal auditor, the person must have a bachelor's degree in finance, or accounting. The following professional qualifications are also necessary for effective auditing and investigation job performance: Certified Internal Auditor (CIA), Certification in Control Self-Assessment Auditor (CCSA), Certified Management Accountant (CMA), Certified General Accountant (CGA), Certified Government Auditing professional (CGAP), Certified Financial Service Auditor (CFSA), Certification in Risk Management Assurance (CRMA) and Certified Nigerian Accountant (CNA).

Challenges Confronting Effective Training of Accounting Education Graduates.

Attainment quality in education output, the process and input strategies need to be improved to give the desired result. The teaching of accounting education has not received adequate attention compared to its impact on the development of human capacity for social and small scale business development. The teaching of accounting education as a vocational course have been faced with so many challenges which have contributed to the low quality of programme products in labour market. Aachieving the benefits of accounting education in training students in Nigeria tertiary institution is dependent on the ability of the stakeholders to overcome the human resources, facilities and the instructional delivery challenges, (Okeke 2016). Human resources challenges in training accounting education graduates deals with the personnel and staff that control the material resources and money meant for training the students. The human resources challenges maybe in the form of staff development and retraining, wages, quality of staff and also the quality for teaching and non-teaching activities.

Apart from human resources challenges in teaching and training of accounting education graduates, they are facility challenges also. Facilities are those tools, equipment and material used by the human resource in order to achieve the objective of the organization (Udeke,2009 in Ugwu, et al 2020). Facilities challenges exist in the provision of instructional materials, office equipment and other essential materials required in the effective delivery of accounting education instruction to tertiary institution students. Accounting education needs information and other instructional aides to train students that will meet the contemporary skill required in the society. These facilities are needed for human resource to effectively deliver quality training to accounting education graduates for effective job performance in the labour market.

Lack of technology is another challenge confronting the training of accounting education graduates. Students of accounting education in most of the institutions are not exposed to computerized accounting system, while information and gathering of record is a waste of time as a result of no ICT facilities. As widely seen, the effect is on the whole system of instruction because lecturers and students often have the firsthand experience outside the school system. Other challenges confronting effective training of accounting education graduates includes; insufficient research facilities, insecurity, inadequate time allocation, etc.

Measures for Overcoming Auditing and Investigation Challenges in Training Accounting Education Graduates.

Considering the global changing role of accountants and the ever increasing demand in the accountancy profession, there is need for accounting education lecturers to educate prospective accountants on the global demands and needs with the changing roles. Accounting education curriculum should be reviewed and amended to suit and be in line with global demand and practice. It should be supported by the government through the provision of adequate materials that's current enough to impact the necessary knowledge and skills required of accountant of today. This will help in training accounting education graduates. Training should be conducted for accounting education lecturers to improve and update their knowledge and idea on accounting professional demand globally. Sufficient duration of time should also be provided for accounting education to ensure the effective training of accountings graduates. (Oko, 2016).

If accountants are to adapt to the pressures of change and contribute maximally to organizational and societal progress, they must, in addition to their specialized skills, also have a foundation of a broad-based education. This will enable them to develop a balanced outlook on issues of wide ramifications beyond their accounting specialty. They will then appreciate fully how their decisions and actions within their own specialty interface with those of other specialties, and the eventual implications for the entire organizational or societal fortunes. It must ensure that its members are professionally competent to meet the needs of the members of the public, and not only their clients who rely on their services. It should ensure that, its members maintain, throughout their professional life, the quality of the services and expertise that society expects from them. The profession must concern itself not only with the pre-qualification education of its members, but also with their continuing education if it is to sustain its relevance in the present day business environment (Agbebiyi, 1997 and Maher, 2000 in Okolie, 2014).

Conclusion

The paper on auditing and investigation skills required of accounting education graduates for effective job performance in the labour market, that were concluded to be professional auditing and investigation skills, auditing and investigation inter-personal skills, technological auditing/ investigation skills and professional qualification skills for the effective job performance in the labour market. Those skills when they are applied can help the accounting education graduates to achieve or realize those goals and objectives in the work place to a great extent.

Recommendations

Based on the discussion of this study, the following recommendations were made:-

1. Accounting education lecturers in Nigerian tertiary institutions should ensure that professional auditing and investigation skills required are taught more vigorously through demonstrations and practical to enable the students graduate with the required skills to enter auditing and investigation career effectively.
2. Ministry of education, Nigerian Universities Commission and other educational agencies should review the current curriculum of accounting education in Nigerian

tertiary institutions to enable the students acquire professional qualifications required for effective professional performance in the labour market.

3. Professional accounting bodies and accounting education experts should organize workshops on auditing and investigation professional skills to enable accounting education graduates acquire practical auditing and investigation skills to complement the professional skills acquired in the school.
4. Accounting education lecturers should emphasize technology skills at the undergraduate level of accounting education programme. When the graduate of accounting education programme possesses technology competences, they will not have fear of unemployment.

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