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FACTORS AFFECTING THE ACADEMIC PERFORMANCE OF ACCOUNTING UNDERGRADUATES IN SRI LANKAN STATE UNIVERSITIES

M.A. Gayantha N. Jayasooriya[1]*, Roshan Ajward[2]
[1.2]Department of Accounting, University of Sri Jayewardenepura, Sri Lanka
*Corresponding Author:
gayanthajayasooriya@sjp.ac.lk

Abstract
This study investigated factors affecting the academic performance of accounting undergraduates in Sri Lanka's state universities. Seventeen factors related to the university system, demographics, and personal characteristics were analyzed using a quantitative approach with 287 valid responses collected via a self-administered questionnaire. Descriptive statistics and inferential analyses, including one-way ANOVA, t-tests, correlation, and OLS regression, were used to assess the impact of these factors on academic performance. The average GPA of students was between 3.30 and 3.69 (second-class upper division). Key factors positively associated with academic performance included being female, fewer distractions from seniors, commuting from boarding places, higher engagement in extracurricular activities, prior English and mathematics knowledge, and taking professional accounting courses. Other factors showed no significant impact. The study offers insights for academicians, policymakers, and students to improve academic performance through structural adjustments and effective strategies.

Keywords: Academic Performance, Accounting, Sri Lanka, State Universities

1. Introduction

The field of accounting, encompassing diverse areas, is marked by challenges affecting undergraduate performance, as evidenced by previous studies. This is particularly pronounced in the contemporary challenging landscape in Sri Lanka. Notably, lower academic performance among accounting undergraduates is a recurrent issue, leading to diminished class achievements and an increased prevalence of general degree holders in Sri Lankan universities (Priyankara & Hilal, 2015).

Factors contributing to this phenomenon include insufficient GPA attainment, a decline in class standings, and a notable rate of student dropout without obtaining a degree (Durso & Chuna, 2018). Limited research exists on the specific factors influencing student academic performance in Sri Lanka, emphasizing the need for a localized investigation (Weerasinghe & Fernando, 2018).

Prior studies often suffer from a selection of fewer predictors, narrow sample selection and a focus on a specific academic year or university, hindering generalizability. Existing research also yields mixed findings on the impact of factors such as prior mathematics knowledge, gender, and teaching style on academic performance (Alfan & Othman, 2005; Moradi et al., 2019).

The field of accounting encompasses various complex and challenging aspects that impact the academic performance of undergraduate students. These challenges are increasingly evident in the dynamic higher education landscape of Sri Lanka. One recurring issue is the low academic performance among accounting students, leading to

lower class achievements and a growing number of general degree holders in Sri Lankan universities (Priyankara & Hilal, 2015).

Several factors have been identified as key contributors to this phenomenon, including students' inability to achieve an adequate Grade Point Average (GPA), declining class rankings, and high dropout rates without obtaining a degree (Durso & Chuna, 2018). However, research specifically exploring the factors influencing the academic performance of accounting students in Sri Lanka remains limited, necessitating a more focused and localized investigation (Weerasinghe & Fernando, 2018).

Additionally, understanding these influencing factors will help universities and educators develop more effective academic support programs tailored to students' specific needs (Tinto, 2017). By addressing key challenges such as curriculum design, instructional methods, and student engagement, educational institutions can enhance student learning experiences and academic outcomes (Biggs & Tang, 2011). Furthermore, this research will contribute to bridging the gap in existing literature and provide empirical evidence that can guide future policies and practices in accounting education (Bryant & Albring, 2006). The ultimate goal is to create a more inclusive and effective learning environment that supports student success and fosters the development of highly skilled accounting professionals.

Beyond the direct academic factors, socio-economic conditions also play a significant role in shaping students' academic journeys. Financial constraints, family responsibilities, and access to educational resources are pivotal aspects that influence student performance (Ehrenberg & Sherman, 1987). Many students from underprivileged backgrounds struggle to balance their studies with part-time employment, which can negatively impact their academic outcomes (Callender & Jackson, 2005). Understanding these external influences is crucial for universities to implement targeted financial aid programs and student support services that can alleviate such burdens (Chen & DesJardins, 2010).

Another aspect that requires attention is the integration of modern technology into accounting education. With rapid advancements in digital accounting tools and financial technologies, it is imperative that universities update their curricula to include training in software such as QuickBooks, SAP, and other enterprise resource planning (ERP) systems (Hoitash, Hoitash, & Bedard, 2009). Ensuring that students are proficient in these tools will not only improve their academic performance but also enhance their employability upon graduation (Marriott & Marriott, 2003).

2. Theoretical Background

2.1 Academic Performance in Higher Education

Academic performance is a multifaceted construct that reflects students' mastery of learning outcomes, often measured through Grade Point Average (GPA) (York, Gibson, & Rankin, 2015). In higher education, academic achievement is influenced by a combination of institutional, personal, and demographic factors (Richardson, Abraham, & Bond, 2012). Particularly in accounting education, consistent academic performance is crucial as it relates to the acquisition of technical knowledge, analytical thinking, and professional readiness (Jackling & De Lange, 2009).

2.2 Demographic and Personal Factors

Prior research highlights that demographic characteristics such as gender, prior academic background, and living arrangements can significantly influence students' academic outcomes (Arbona & Nora, 2007; Naylor & Mifsud, 2020). For instance, several studies suggest that female students often outperform their male counterparts in

accounting programs, possibly due to differences in study habits, motivation, and time management (Ballantine, Duff, & Larres, 2008).

Additionally, students' prior exposure to English and mathematics is shown to be positively correlated with their academic success in accounting-related courses (Guney, 2009). Proficiency in these foundational subjects supports cognitive functions such as problem-solving and comprehension of complex accounting principles.

2.3 Institutional and Environmental Factors

University-related factors, including peer influence, engagement in extracurricular activities, and participation in professional accounting programs, are also relevant to academic performance. The presence of senior distractions—often observed in highly social or residential settings—may hinder concentration and study routines, thereby negatively impacting GPA (Owusu-Acheaw, 2014).

Conversely, boarding or commuting from structured residential settings has been associated with better academic outcomes compared to students who live at home or in unregulated environments, due to fewer household distractions and improved time allocation (Tinto, 1993). Furthermore, students who are actively involved in extracurricular and professional development activities often exhibit higher levels of academic motivation and self-efficacy, contributing to better academic outcomes (Astin, 1999; Al-Twaijry, 2010).

2.4 Accounting Education in Developing Countries

In the context of developing countries such as Sri Lanka, accounting education faces unique challenges, including disparities in resource allocation, variations in teaching quality, and language barriers (Perera & Watson, 1991). The role of institutional support, such as access to professional accounting certification programs and English-language preparatory courses, becomes critical in enhancing academic performance (Jayasinghe & Uchil, 2022). Understanding the interplay between demographic, personal, and institutional factors is thus essential for formulating evidence-based educational policies and interventions tailored to local contexts.

3. Methods

This study adopted a positivistic paradigm and employed a quantitative approach, that was deemed appropriate to assess the academic performance of accounting undergraduates in Sri Lankan state universities and identify factors influencing their performance (Alfan & Othman 2005). The population consists of undergraduates in the final and third years of accounting special degree programs across multiple state universities. Recognizing enrollment variations, a representative sample of 278 accounting undergraduates was selected using a convenient sampling method, given the absence of a sampling frame.

Data collection involved the distribution of a self-administered structured questionnaire among accounting undergraduates in their third and final academic years across state universities. The questionnaire was crafted based on an extensive review of past literature, ensuring the inclusion of pertinent factors. Comprising two sections, the first focused on demographic information, while the second assessed the impact of various factors on academic performance, incorporating perceptions on a five-point Likert scale. Expert opinions were sought and refinements were made to the questionnaire, which underwent a validation through a pilot survey. The final version,

distributed in both soft and hard copies, featured a clear disclosure of the research purpose, researcher details, and contact information on the initial page.

4. Results and Discussion

This study hypothesized that seventeen different factors are impacting upon the academic performance of accounting undergraduates. The reliability of the questions was ensured through Cronbach's alpha, which were above 0.7 ensuring the required consistency. Construct validity was also ensured through factor analysis, and the regression assumptions of multicollinearity, homoscedasticity, normality and linearity were tested, which yielded the scores were within the accepted ranges.

4.1 Level of Academic Performance

Academic performance of the respondents was measured through cumulative overall GPA up to the time of data collection. Required data regarding GPA were in the questionnaire as follows. 1=Below 1.29, 2=1.30-0.69, 3=1.70-1.99, 4=2.00-2.29, 5=2.30-2.69, 6=2.70-2.99, 7=3.00-3.29, 8=3.30-3.69, 9=3.70-4.00. Descriptive statistics related to GPA are given in Table 1.

Table 1. Descriptive Statistics of GPA

Variable	Mean	Variance	SD
Overall GPA	7.70	1.707	1.307

Source: Constructed by Authors

Mean GPA was in the range of 7.70 where it lies in the range of 3.30-3.69 which is the range for the Second-class Upper division.

4.2 Factors Impacting the Academic Performance

OLS multivariate regression analysis involving the following model was deployed in order to identify the significant factors impacting the academic performance of accounting undergraduates.

$$GPA = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \beta 4X4 + \beta 5X5 + \beta 6X6 + \beta 7X7 + \beta 8X8 + \beta 9X9 + \beta 10X10 + \beta 11X11 + \beta 12X12 + \beta 13X13 + \beta 14X14 + \beta 15X15 + \beta 16X16 + \beta 17X17 + \beta 18X18 + \beta 19X19 + \varepsilon$$

The *GPA* is the dependent variable representing academic performance. Independent variables are as follows. X_1=Availability of university facilities[1], X_2=Impact of senior students[1], X_3=Internship program[1], X_4=Rules and regulations of the university[1], X_5=Teaching methods of lecturers[1], X_6=Gender[2], X_7=Place of stay[2], X_8=Family background[1], X_9= Extra-curricular activities[2], X_{10}= Sports, X_{11}=Self-motivation[1], X_{12}= Professional courses following[2], X_{13}=English language proficiency[1], X_{14}=Prior English language knowledge[2], X_{15}=Mathematical competence[1], X_{16}=Prior mathematics knowledge[2], X_{17}=ICT usage, X_{18}=Attendance to lectures[1], X_{19}=Peer support[1].

[1] These variables are measured using a Likert scale of 1 to 5.
[2] These variables are measured as dummy (indicator) variables.

Table 2 provides findings on the OLS multivariate linear regression results performed by considering all the determinants of academic performance of accounting undergraduates.

Table 2. OLS Multivariate Linear Regression Analysis

	Coef.	t	Collinearity Statistics	
			Tolerance	VIF
Intercept	4.011	3.475		
Availability of university facilities (X1)	-0.065	-2.330	0.509	1.963
Impact of senior students (X2)	-0.105**	-2.797	0.546	1.831
Internship program (X3)	0.021	0.869	0.572	1.747
Rules and regulations of the university (X4)	0.028	0.835	0.778	1.286
Teaching methods of lecturers (X5)	-0.026	-1.206	0.545	1.835
Gender (X6)	-0.231*	-1.617	0.747	1.338
Place of stay (X7)				
• Home	0.855	3.487	0.537	1.863
• Boarding place	0.055**	0.321	0.531	1.884
Family background (X8)	0.013	0.702	0.633	1.580
Extra-curricular activities (X9)	0.370*	2.368	0.878	1.139
Sports (X10)	-0.292	-1.517	0.609	1.643
Self-motivation (X11)	0.063	1.618	0.503	1.987
Professional courses following (X12)				
• ICASL	0.337	1.699	0.463	2.161
• CIMA	0.683*	2.904	0.512	1.954
• ACCA	0.520*	2.402	0.659	1.519
• CMA	0.513	1.465	0.721	1.386
• AAT	0.033	0.225	0.752	1.329
Other professional courses	0.956*	2.734	0.723	1.384
English language proficiency (X13)	0.023	1.465	0.713	1.403
General English result (X14)				
• A	1.186*	2.484	0.462	2.164
• B	0.601*	2.508	0.592	1.691
• C	0.519**	2.673	0.491	2.037
• S	0.381*	1.970	0.406	2.461
Mathematical competence (X15)	0.045	1.475	0.587	1.703
Prior Mathematics result (X16)				
• A	2.090**	5.363	0.165	3.079
• B	1.004**	3.177	0.169	2.916
ICT usage (X17)	-0.034	-1.134	0.491	2.037
Attendance to lectures (X18)	0.010	0.467	0.589	1.698
Peer support (X19)	0.060	1.794	0.527	1.899
F-value	7.273			

	Coef.	t	Collinearity Statistics	
			Tolerance	VIF
Sig. of F-value	0.000			
R2	0.595			
N	287			

* p<.05, ** p<.01
Source: Constructed by Authors

The F-test indicates that the overall regression model is valid (p<.01). Further, the R2 value depicts that the selected independent variables explain 59.5 percent of the variation of academic performance of accounting undergraduates, which is a quite higher explanatory power. When considering the tolerance and the VIF (Variance Inflationary Factor) figures, they again confirm that there is no multicollinearity issue, where all VIF are below 10 for all the variables.

In terms of the determinants, the results indicate that there is a negative impact of senior students (p<.01) due to distractions, positive impact being a female student (p<.05), commuting from the boarding place (p<.01) as a place of stay (compared to 'Hostel' as the reference group), higher engagement in extracurricular activities (p<.05), following professional accounting courses (CIMA, ACCA, and Other Professional Courses) (p<.05), a pass in General English (compared to 'F pass' as the reference group) (p<.05), higher results in Mathematics (compared to 'C pass' as the reference group) (p<.01). On the other hand, other determinants considered did not have a significant impact on the academic performance of the undergraduates.

4.3 Discussion

Based on the descriptive statistics, the mean GPA of accounting undergraduates in this study fell within the range of 3.30-3.69, indicative of a satisfactory level of academic performance. Notably, over 87% of respondents (not tabulated) achieved a GPA above 3.00, signaling a passing grade with a fair class standing. This aligns with findings from Alfan and Othman (2005), where similar levels of academic achievement were reported. In contrast, Alanzi (2018) noted a lower mean GPA (2.63) among accounting undergraduates in Kuwait. Therefore, the findings indicate that the Sri Lankan accounting undergraduates have performed comparatively quite better.

In terms of determinants, the gender of an undergraduate emerged as a significant determinant, where female undergraduates outperformed their male counterparts, which is consistent with findings of Alanzi (2018) related to the context of Kuwait. The place of stay also played a role, with students residing at boarding places exhibiting higher academic performance than those lodging in hostels, aligning with Sriyalatha's (2016) observations. Family background, teaching methods, and engagement in sports activities demonstrated no statistically significant impact on academic performance, which is consistent with Moradi et al. (2019). On the other hand, the findings of this study indicated that engagement in extra-curricular activities yielded higher academic performance that is consistent with Sriyalatha (2016). English language proficiency, prior mathematics knowledge, and lecture attendance showed positive associations with academic performance, consistent with existing literature. Interestingly, internship programs, university facilities, rules and regulations, and ICT usage did not exhibit significant relationships with academic performance. The study contributes nuanced insights by considering a comprehensive set of variables and examining their impact on accounting undergraduates across multiple state universities in Sri Lanka.

5. Conclusion

This study addresses a noticeable gap in empirical research, particularly in the context of accounting undergraduates in state universities in Sri Lanka, particularly in the challenging contemporary environment. While general studies on factors influencing academic performance among undergraduates exist, the specificity of this investigation fills a void in both local and international literature, particularly by introducing a broad range of factors that impact academic performance of accounting undergraduates in an emerging market context.

In terms of the main findings, this study reveals several determinants that significantly impact undergraduate academic performance. Notably, being a female student, commuting from a boarding place as a residence, higher involvement in extracurricular activities, pursuing professional accounting courses (CIMA, ACCA, and Other Professional Courses), securing a pass in General English, and achieving higher results in Mathematics exhibit positive effects on academic performance. Conversely, a negative impact is observed for senior students, possibly due to distractions. Other factors considered in the study do not demonstrate a significant influence on undergraduates' academic performance.

The findings have broad implications for accounting undergraduates, offering a clear understanding of factors that positively, negatively, or insignificantly affect their performance in university examinations. This insight enables students to take targeted actions to mitigate hindrances and enhance their academic performance. Additionally, the study provides valuable input for educational policymakers. The results can inform decision-making processes related to academic policies, regulations, and departmental strategies, offering actionable insights to improve the overall academic experience for accounting undergraduates.

As a suggestion for future research directions, it is recommended to broaden the scope by conducting similar studies focusing on accounting undergraduates in private universities and other educational institutions. Additionally, conducting a comparative analysis between developing and developed nations concerning the academic performance of accounting undergraduates could provide valuable insights into potential variations influenced by diverse educational systems and socio-economic contexts.

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