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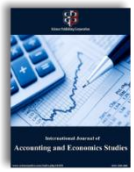

The Role of Internships in Bridging The Technical Skills Gap among Graduates in Accounting Sector with Respect to Mumbai City

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Abstract

Purpose: This study aims to examine the role of internships in bridging the technical skills gap among graduates in the accounting sector, with a specific focus on Mumbai City. It evaluates how internships contribute to enhancing employability and meeting industry expectations.
Methodology: The research adopts a quantitative data method. Primary data is collected through surveys and interviews with accounting graduates through a structured questionnaire, while secondary data is gathered from relevant literature and industry reports.
Findings: According to the survey, internships serve as vital for offering graduates real-world experience that enhances their academic understanding. Employers view internship experience as a key consideration when making hiring decisions and graduates who have participated in internships exhibit greater self-assurance and preparedness for the workforce.
Limitations: The study is based on a sample size of 100 accounting graduates, restricted to Mumbai City. these constraints may limit the generalizability of the findings to a broader population.
Conclusion: Internships serve as a crucial role in bridging the gap between academic learning and professional requirements in the accounting sector. Enhancing internship programs with structured training and mentorship can further improve skill acquisition and employability.

Keywords: *Internships; Technical Skills Gap; Accounting Graduates; Employability.*

1. Introduction

The accounting sector is undergoing significant transformation due to rapid technological advancements, changing financial regulations and the growing integration of financial technology (FinTech). The skill requirements for accounting professionals have changed as a result of these advancements, requiring technical skill and critical soft skills like communication, flexibility and problem-solving. However, academic curricula have struggled to keep pace with these industry changes, leading to a disconnect between the skills imparted in formal education and the practical demands of the employment, known as the "expectation gap," this discrepancy has led to criticism of traditional accounting educational institutions for not placing enough of an emphasis on practical training and skills relevant to the profession.
Internships have emerged as a crucial mechanism to address this gap by offering students experiential learning opportunities in real-world workplaces. Internships help students build the technical, analytical skills and professional qualities necessary for job success by integrating academic knowledge with real-world applications. Despite their potential benefits, many accounting students encounter challenges during internships due to inadequate preparation from their academic institutions. Existing research highlights that while internships contribute significantly to skill acquisition, the influence of institutional placement policies and program structures on students' professional preparedness remains underexplored. Furthermore, rather than providing qualitative insights into students' learning experiences and career development, the majority of studies primarily concentrate on quantitative results, such as employment rates.
In light of these concerns, the purpose of this study is to investigate, particularly in the context of Mumbai City, how internships might help accounting graduates bridge the technical skills gap. By addressing this gap, the study intends to provide valuable insights for higher education institutions to enhance internship models, better integrate accounting education with industry requirements and foster a workforce equipped to navigate the complexities of Industry 4.0.

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2. Review of Literature

Research on internships in accounting and related disciplines has produced mixed insights regarding their role in bridging academic learning with professional requirements. Existing literature can be broadly categorized into three thematic areas: the impact of internships on employability, the integration of technology in accounting education and the development of technical versus soft skills.

2.1. Internships and employability

Several studies highlight the role of internships in enhancing graduates' employability. Romanò (2025), for instance, found that while academic internships in Italy did not significantly improve job alignment, extracurricular internships were linked to risks of overeducation, suggesting that the effectiveness of internships is context-dependent. Similarly, Saidin et al. (2024) and Star et al. (2024) reported that internships at accounting and auditing firms improved technical skills but offered limited long-term career benefits unless supported by structured frameworks. These findings suggest that internships may not uniformly translate into employability gains, emphasizing the need for context-specific evaluations.

2.2. Internships, skill development and curriculum gaps

Other scholars have investigated the extent to which internships develop both technical and soft skills. Batas (2024) argued that while internships help students apply accounting concepts and strengthen technical skills, they often fail to adequately address gaps in soft skill development or familiarity with accounting software. Similarly, Nik Zam Nik Wan et al. (2021) and Digital (2021) stressed that internships contribute to teamwork, communication and decision-making abilities but require stronger integration into structured academic programs to maximize their benefits. These studies collectively suggest that without institutional alignment, internships may only partially bridge the academic–industry gap.

2.3. Technological integration in accounting education

With the growing role of digital tools in the profession, researchers have also emphasized the importance of aligning internships and education with technological advancements. Chen and Wang (2025) highlighted the challenges posed by big data and AI in accounting, advocating for integrated teaching–internship bases that balance theory and practice. Similarly, Muthaiyah et al. (2021) found that despite wide recognition of digital tools' importance, fewer than 5% of accounting curricula included them, largely due to faculty limitations. These findings reveal a critical gap in preparing students for technology-driven workplaces, particularly regarding exposure to accounting software such as Tally Prime, QuickBooks, or SAP.

2.4. Synthesis and research gap

Taken together, the literature indicates that internships provide valuable opportunities for developing technical, practical and soft skills, but their impact varies depending on context, design and alignment with industry needs. While prior studies underscore the role of internships in skill enhancement, they also reveal persistent challenges: limited integration of digital tools, uneven emphasis on soft skills and concerns over long-term employability outcomes. Moreover, very few studies have examined these dynamics in the Indian context, specifically focusing on accounting graduates in metropolitan regions like Mumbai.

2.5. Positioning of the present study

Building on these insights, the present study examines how internships contribute to bridging the technical skills gap among accounting graduates in Mumbai. By assessing the practical knowledge gained, particularly in the use of Tally Prime, this study addresses both the local employability context and the broader concern regarding the alignment of academic preparation with industry expectations.

1) Need of study

The accounting sector has undergone rapid transformations due to technological advancements and evolving financial regulations. Accounting professionals require both theoretical understanding and practical skills in areas like financial analysis, accounting software competency and compliance with current tax regulations in this dynamic industry. However, there is still a significant technical skills gap among accounting graduates, which makes them less prepared for the workforce. Only 42.6% of graduates were considered employable in 2024, down from 44.3% in 2023, according to the India Graduate Skills Index 2025. This underscores the urgent need for more hands-on training in accounting education. Internships are key in bridging the gap between academic knowledge and industry practice, providing students with hands-on experience and essential skills like analytical thinking and communication. Employers in Mumbai's competitive employment market place a high importance on internship experience since it shows flexibility in the face of changing technical and financial situations. The necessity of aligning industrial demands with educational requirements is emphasized in the India Skills Report 2025. Additionally, networking, mentoring and ethical growth are provided by internships, which improve graduates' preparedness for the workforce.

2) Objectives of study

- To assess the impact of internships on students' theoretical & Practical knowledge.
- To assess whether internships contribute towards enhancing technical skills in accounting sector.
- To analyze whether internships contribute to gender-wise differences in confidence levels (job readiness & employability) among graduates.
- To assess the impact of internships on students' confidence in performing Tally Prime tasks.
- To investigate whether internships increase awareness of career paths in accounting sector.

3) Hypothesis

H_0: Internship experience does not significantly affect students' theoretical and practical knowledge.

H_1: Internship experience significantly affects students' theoretical and practical knowledge.

H_0: Internships do not significantly enhance technical skills in accounting sector.

H_1: Internships significantly enhance technical skills in accounting sector.

H_0: There is no significant association between gender and confidence level (job readiness & employability) among graduates.
H_1: There is a significant association between gender and confidence level (job readiness and employability) among graduates.
H_0: Internships do not significantly impact confidence in performing Tally Prime tasks.
H_1: Internships significantly impact confidence in performing Tally Prime tasks.
H_0: Internships do not significantly improve career path awareness among graduates.
H_1: Internships significantly improve career path awareness among graduates.

3. Research Methodology

Primary & Secondary data were collected & used in the data collection process. A well-structured questionnaire was prepared with 04 major sections along with demographic profile which consist of technical skill evaluation, Internships contribution to gender-wise differences in confidence levels (job readiness & employability), Evaluation of confidence level in tally prime & awareness of career opportunities in accounting. Additionally, technical skill evaluation (Section 01) was based on Miller's Pyramid (1990), which categorizes professional expertise into four levels: "Knows" (theoretical knowledge), "Knows How" (application of knowledge), "Shows How" (practical demonstration) and "Does" (real-world application). Sections 02 to 04 were designed using a structured questionnaire based on a Likert scale to measure participants' perceptions, confidence levels & awareness about career path in accounting sector. Secondary Data was collected through books, journals, magazines, newspaper articles & internet.
Research Design: Quantitative & Descriptive Research
Sampling method: Simple Random sampling
Sample size: 100 Respondent's (50 Interns & 50 Non-Interns)
Tool used: (MS Excel & SPSS)
Data collection tool: Structured Questionnaire
Data presenting tool: Table
Hypothesis testing: Independent Sample T test & Chi-square test

4. Discussion & Analysis

Demographic Profile of the Respondents
Demographic is essential an aspect in research as it provides context to the findings, ensuring accuracy and relevance. It also helps to identify patterns, differences and key influences among various groups based on different factors.

Table 1: Demographic Profile of the Respondent

Demographic Data		Intern	Non - Intern	Total
Gender	Male	22	19	41
	Female	28	31	59
	Total	50	50	100
Age	20	6	1	7
	21	11	10	21
	22	18	13	31
	23	7	6	13
	24	2	14	16
	25	6	4	10
	26	0	2	2
	Total	50	50	100
Duration of Internship	01 - 03 Months	16	NA	16
	04 - 06 Months	12	NA	12
	More than 06 Months	22	NA	22
	Total	50	NA	50
What type of organization do you Intern with?	CA Firm	33	NA	33
	Bank	6	NA	6
	Corporate Finance Department	11	NA	11
	Total	50	NA	50
What key areas did your internship cover?	Accounting Software	34	NA	34
	Tax Filing	10	NA	10
	Financial Reporting & Analysis	6	NA	6
	Total	50	NA	50

According to the table no 01, there is an equal split between interns & non interns (50 each) where total sample consists of 41% males & 59% females. The majority of respondents fall in the age category of 22 years (31%), followed by 21 years (21%) & 24 years (16%). Additionally, among interns (22 out of 50) completed internships lasting more than 6 months. Data highlights that Majority of interns (33 out of 50) worked in CA (Chartered Accountant) firms, indicates the demand for accounting experience. 06 students interned at banks, while 11 students interned in corporate finance departments, which indicates some diversification in internship choices among respondents. Accounting software was the most commonly covered part in internships, with 34 students gaining exposure to technical skills in accounting tools, highlighting its priority in practical training.

5. Data Analysis & Interpretation

Section 01: Technical Skill evaluation
Objective framed: To assess the impact of internships on students' theoretical & Practical knowledge.

Table 2: Statistical Analysis of Theoretical Knowledge Using Independent Sample T-Test

Independent Samples Test – Theoretical Knowledge									
	Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Equal variances assumed	8.752	.004	-8.236	98	.000	-5.36000	.65084	-6.65157	-4.06843
Equal variances not assumed			-8.236	89.343	.000	-5.36000	.65084	-6.65314	-4.06686

Table 3: Statistical Analysis of Practical Knowledge Using Independent Sample t-Test

Independent Samples Test – Practical Knowledge									
	Levene's Test for Equality of Variances		t-test for Equality of Means					95% Confidence Interval of the Difference	
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Equal variances assumed	9.160	.003	-10.331	98	.000	-10.62000	1.02800	-12.66004	-8.57996
Equal variances not assumed			-10.331	90.741	.000	-10.62000	1.02800	-12.66208	-8.57792

Data Interpretation: To analyse the impact of internships on students' theoretical & practical knowledge – independent sample test was taken into consideration. Table no 02 indicates p-value (Sig. 2-tailed) of 0.000, which is less than 0.05. The results are statistically significant, indicating a notable difference in theoretical knowledge between the two groups (internship vs. no internship). Table no 03 indicates p-value (Sig. 2-tailed) of 0.000, indicating a significant difference. The results highlight a statistically significant difference in practical knowledge between students with internships and those without.
Hypothesis accepted: Internship experience significantly affects students' theoretical and practical knowledge.
Objective framed: To assess whether internships contribute towards enhancing technical skills in accounting sector.

Table 4: Statistical Analysis of Technical Skill Evaluation Using Independent Sample t-Test

Independent Samples Test									
	Levene's Test for Equality of Variances		**t-test for Equality of Means**					**95% Confidence Interval of the Difference**	
	F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Equal variances assumed	8.621	.004	-10.485	98	.000	-45.65714	4.35439	-54.29829	-37.01600
Equal variances not assumed			-10.485	86.894	.000	-45.65714	4.35439	-54.31211	-37.00218

Data Interpretation: To assess whether internships contribute towards enhancing technical skills in accounting sector independent sample test was performed. Where table no 04, showed p-value (Sig. 2-tailed) of 0.000, indicating a statistically significant difference. Indicating that students with internships performed significantly better in technical skill evaluations. The results strongly shows that internships have a significant positive impact on enhancing technical skills in the accounting sector.
Hypothesis accepted: Internships significantly enhance technical skills in accounting sector.
Section 02: Internships contribution to gender-wise differences in confidence levels
Objective framed: To analyze whether internships contribute to gender-wise differences in confidence levels (job readiness & employability) among graduates.

Table 5: Statistical Analysis of Internships Contribution to Gender-Wise Differences in Confidence Levels (Job Readiness & Employability) Using Chi-Square Test

Chi-square test		
Sr. No.	Questions	Significance value
1	My internship experience has improved my confidence in using accounting software like Tally Prime	0.246
2	After my internship, I feel more confident in preparing financial statements and reports.	0.023
3	My internship provided hands-on experience that enhanced my understanding of accounting concepts beyond classroom learning.	0.464
4	My internship has given me the confidence to apply for full-time accounting roles.	0.449
5	The skills gained during my internship match the job requirements in the accounting sector.	0.039

Data Interpretation: The Chi-square test was performed to assesses whether there is a statistically significant difference in confidence levels across genders based on internship experiences. Table no 05 showed Significant gender-wise differences in preparing financial statements ($p = 0.023$) & Perception that internship skills match job requirements ($p = 0.039$). Additionally, no significant gender-wise differences were found in Using accounting software ($p = 0.246$), Hands-on experience beyond classroom learning ($p = 0.464$) & Confidence to apply

for full-time roles (p = 0.449). These data suggest that internships contribute to building confidence across genders, but some areas may require additional gender-focused interventions.
Hypothesis accepted:

Table 6: Chi-Square Test Results – Hypothesis Accepted

Chi-square test Sr. No.	Questions	Hypothesis Accepted
1	My internship experience has improved my confidence in using accounting software like Tally Prime	H0
2	After my internship, I feel more confident in preparing financial statements and reports.	H1
3	My internship provided hands-on experience that enhanced my understanding of accounting concepts beyond classroom learning.	H0
4	My internship has given me the confidence to apply for full-time accounting roles.	H0
5	The skills gained during my internship match the job requirements in the accounting sector.	H1

Section 03: Evaluation of confidence level in tally prime.
Objective framed: To assess the impact of internships on students' confidence in performing Tally Prime tasks.

Table 7: Statistical Analysis of Evaluation of Confidence Level in Tally Prime Using Chi-Square Test

Chi-square test Sr. No.	Questions	Significance value
1	Recording payment and receipt vouchers in Tally Prime.	0.004
2	Configuring GST in Tally and generating GST returns.	0.62
3	Creating stock items, stock groupsand managing stock valuation.	0.015
4	Setting up payroll, processing salariesand generating payslips.	0.075
5	Preparing Profit & Loss Account, Balance Sheetand analysing cash flow	0.000

Data Interpretation: Table no 07 indicates the results of the Chi-Square test, which measures the statistical significance of differences in confidence levels. The result showed that internships have a statistically significant impact on students' confidence in recording payments and receipt vouchers (p = 0.004), creating stock items and managing stock valuation (p = 0.015) and preparing financial reports such as the Profit & Loss Account and Balance Sheet (p = 0.000). p-values (<0.05) suggest that students gain confidence level in these areas after internship exposure. However, the results show no significant impact of internships on confidence in configuring GST and generating GST returns (p = 0.62), as well as setting up payroll, processing salaries and generating pay slips (p = 0.075).
Hypothesis accepted:

Table 8: Chi-Square Test Results – Hypothesis Accepted

Chi-square test Sr. No.	Questions	Hypothesis Accepted
1	Recording payment and receipt vouchers in Tally Prime.	H1
2	Configuring GST in Tally and generating GST returns.	H0
3	Creating stock items, stock groupsand managing stock valuation.	H1
4	Setting up payroll, processing salariesand generating payslips.	H0
5	Preparing Profit & Loss Account, Balance Sheetand analysing cash flow	H1

Section 04: Awareness of career opportunities in accounting.
Objective framed: To investigate whether internships increase awareness of career paths in accounting sector.

Table 9: Statistical Analysis of awareness of Career Paths in Accounting Sector Using Chi-Square Test

Chi-Square Tests			
	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	7.166a	2	.028
Likelihood Ratio	8.372	2	.015
Linear-by-Linear Association	6.990	1	.008
N of Valid Cases	100		

Data Interpretation: The Chi-Square test was performed to determine whether internships significantly impact students' awareness of career paths in the accounting sector or not. The results showed p-value less than 0.05, the results indicate a statistically significant relationship between internships and increased awareness of career paths in accounting.
Hypothesis accepted: Internships significantly improve career path awareness among graduates.

6. Conclusion

Internships serve an important role in boosting students' academic knowledge and practical abilities, thereby increasing their employability. The study found that students who participated in internships had greater skill in accounting software such as Tally Prime, emphasizing the need for wider exposure to a variety of financial tools. Furthermore, gender-based differences in confidence levels suggest that tailored internship programs may be required to achieve equitable professional growth in terms of future prospects. The findings also indicate that internships help students acquire career path awareness, allowing them to make more informed career decisions. Overall, the study emphasizes that internships act as a bridge between theoretical education and industry expectations, making them an essential component of business and accounting education.
However, the findings should be interpreted within the scope of certain limitations. The study is based on a relatively small sample size of 100 participants, confined to Mumbai City and evaluates technical skills primarily through Tally Prime. These constraints limit the generalizability of the results beyond this specific context.

Future research can build on these findings by expanding the scope to include larger and more diverse samples across different cities, comparing the use of multiple accounting software tools (e.g., QuickBooks, SAP, Zoho Books) and employing mixed-method approaches such as in-depth interviews to capture richer insights. Additionally, longitudinal studies investigating the long-term career impact of internships would further contribute to understanding how internships shape employability outcomes over time.

7. Limitations

- Geographical Scope: The research is confined to Mumbai city, which may limit the generalizability of the findings to other regions in India or internationally.
- Sample Scope: The study focuses exclusively on accounting graduates, so results may not be applicable to graduates from other disciplines or sectors.
- Software-Specific Assessment: The evaluation of technical skills is restricted to Tally Prime. While Tally Prime is widely used in India, other accounting software such as QuickBooks, SAP, or Zoho Books are not considered. This limits the applicability of the findings to contexts where other accounting tools are prevalent.

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