

## Accounting and Financial Education Roundtable

A meeting of the Accounting and Financial Education Roundtable (see attached list of participants) was held at the AICPA's New York office on September 22, 2000. One of the topics on the program was implications of the Albrecht/Sack monograph on accounting education. What ensued was a brainstorming session of issues and observations which are categorized into the four following topics: attracting quality students; curriculum revision; challenges of teaching and attractiveness of the profession.

A recommendation made during the discussion was for a study that would provide a comprehensive view of what is happening in the profession from other perspectives, e.g., economics, supply/demand, etc. that impact the current situation in accounting education and that would draw comparisons with other professions. The following observations made during the discussion are not in any priority order nor do they represent a consensus opinion of the group. They do, however, reflect the multi-faceted issues that impact accounting education and the view that resolving these issues will require a coordinated effort by multiple organizations.

A: How can we attract quality students

1. Youth do not have a positive perception of the work of an accountant.
  - \* Promote at the High School level by creating cases, videos, projects, contests, etc. to convey the challenge and opportunity of being an accountant.
2. Students do not understand business.
  - \* Work with High School clubs to expose students to the purpose and operations of many types of business. Our belief is that at the High School level, it may be more effective to emphasize business rather than accounting.
  - \* Work with local practitioners to make presentations in the schools.
3. Work at the district or school board level to impact High School Curriculum.
  - \* At the High School level, curriculums are usually made at the district or school board level rather than by individual schools. Encourage involvement of accounting professionals in these curriculum decision sessions.
  - \* It is important to emphasize that a bookkeeping course be called a bookkeeping course and that an accounting course take on a more academic flavor, e.g., financial statement analysis.
4. Accounting is often viewed as simply a trade skill class.
  - \* Examine what it would take to get an AP Accounting course. What about an AP Business course? Are there sets of instructional materials that could be developed?

\* Investigate related AP courses. How are they developed and structured?

5. Find programs that seem to be effective.

\* Kansas State has established a recruiting program they deliver to local High Schools that seems to be effective. Is this an approach that can be used elsewhere? What other successful approaches exist? University of Connecticut?

6. Partner with existing High School programs.

\* Junior Achievement and the Academy of Finance both provide outside materials into the High School. Investigate partnering with these or other organizations in delivering programs.

7. Stay local

\* Keep the involvement at the local level. Look at the ACAP model.

#### B. Curriculum Issues

1. There is a need to integrate concepts within a course, concepts between accounting courses, and concepts across the business school.

\* Such integration can occur in many forms: team teaching, cases, projects, role plays, outside speakers, etc.

2. Classwork needs to emphasize professional skills.

\* Faculty need to know specifically which skills are needed and integrate these into coursework.

3. Distance and computer based education is coming.

\* How do we help faculty embrace these changes?

4. Many, if not a majority of, students begin at a Jr. College.

\* There is a critical need for interaction and articulation between 2 and 4-year programs.

5. Adjuncts or graduate students, often with little or no supervision, frequently teach the introductory courses.

\* There is a tremendous need to assure the quality of the principles courses since the experiences in those courses significantly impact the choice to major in accounting.

6. The structure of the principles courses varies widely.

\* Identify the various approaches in use and enumerate the good and poor aspects of each.

7. A number of curriculum models exist.
  - \* Identify and analyze curriculum models currently used.
  - \* Gather a group to identify different curriculum model options for different types of schools.
8. Think differently.
  - \* 150 credit hours does not have to equal 5 years
  - \* Consider a curriculum based on achieving learning objectives rather than the number of courses.
  - \* Consider custom curriculum
9. What education is done once students are hired?
  - \* Look for coordination with corporate training.
  - \* Consider curriculum for retraining or refresher courses.

#### C. The Challenges of Teaching.

1. Courses need to utilize new technology in the teaching process as well as part of the learning materials.
  - \* Use videos, internet links, accounting software and electronic communication systems not only to teach the course but also as part of what is being taught.
2. Packaged education programs are already available and will become more prevalent.
  - \* Educators need to move from the role of the presenter of information to another role – some suggest the new role is that of a coach or learning facilitator.
3. Training for faculty on how to teach is lacking or nonexistent.
  - \* Ph.D. programs should be encouraged to include teaching training.
  - \* Perhaps the accreditation or other evaluation process of Ph.D. programs should include teaching criteria.
    - Certainly training materials and programs for new Ph.D.s should include teaching components along with the research component.
    - Periodic retraining sessions for all faculty members should be part of academic life.
4. The systems for evaluating good teaching need to be expanded beyond the traditional student evaluation process.
  - \* Direction from education associations as to how to evaluate and improve teaching is needed.

5. We need to look at the way we teach – traditionally facts and memorizing rather than research and thinking.
  - Is the traditional approach the way we should teach today? Are we training or educating, and do we care?
  - Are there data available on what cases or situations can be used in a sequential manner upon which to base the teaching effort?
6. How do other professions train their new hires?
  - \* Study medicine, law, nursing, and architecture programs to learn the approach they use to teaching.
7. There is little personal incentive other than personal satisfaction for faculty to be involved in curriculum or teaching development.
  - \* Professional and school incentives for teaching efforts must be rewarded.

D. The Attractiveness of the Profession

1. What is the “Accounting Profession?”
  - \* The practice of accounting ranges from the lowest bookkeeper to the CFO or Audit Partner. The professional part of accounting practice was originally defined as the work done by CPAs in CPA firms. Now that those in public firms are evolving into multi-disciplinary business services firms, what is the accounting profession?
2. Other than “beancounter” or “green eye shades,” accountants have no identity.
  - \* Could there be a logo or symbol that is marketed to represent accountants?
3. Entry into accounting positions appear to students to be boring and limiting when compared to entry positions in finance or systems.
  - \* Firms need to really look at the attractiveness of their entry position
4. Verbiage from the firms indicate a need for high level thinking skills. Verbiage from those doing the hiring indicates a preference for technical competency. Both groups want everything.
  - \* Firms need to really examine what it is they expect from the education process.
5. New hires rarely see completion of a project.
  - \* At the conclusion of an audit, tax or systems project, new hires are rarely present for the final meeting. They do not get to see the deal closed.

6. Students get mixed messages.
  - \* Firms hire finance and accounting majors for the same job at the same pay. Why go accounting?
  - \* Firms will make two offers to the same student for significantly different amounts. The lowest offer is almost always in the fundamental accounting function of assurance services. Higher salaries are offered for IT or consulting.
7. Students are in an information age and have lots of data on career opportunities. There are many more attractive options now than in the past.
  - \* Students see better opportunities at higher pay than in accounting.
8. Investment banking has changed.
  - \* In the past, investment firms hired MBAs. Now, investment firms hire finance majors at a higher salary than what accountants are offered. Some of the better students are moving to finance.
9. Accounting does not control information systems as it has in the past.
  - \* IT controls the information system and accountants have become users of that system.
10. There is no "Pearl Harbor" among accounting firms.
  - \* Firms are still finding the quantity of students they desire. There is nothing "critical" that is causing change in employment practices.
11. It seems that in the past there was some social prestige in being an accountant.
  - \* Accountants are seen as being ethical, trustworthy and having a very dull job. The excitement of work in accounting needs to be shown.
12. There is a decline in 1<sup>st</sup> generation college students.
  - \* First generation college students have typically been attracted to accounting as a major.
13. Training versus career.
  - \* Firms recruit new hires based on great training. Rarely do firms recruit based on the opportunity to advance within the firm as a career.