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William H. Francisco
Georgia Southern University

Thomas G. Noland
Georgia Southern University

J. Ann Kelly
Georgia Southern University

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Why Don't Students Major in Accounting?

William H. Francisco, Thomas G. Noland, and J. Ann Kelly

In recent years numerous predictions have been made about the demise of the accounting profession. These scenarios normally mention declining accounting enrollments and accounting professionals bemoaning the skills of graduates. Professionals talk about the

William H. "Bill" Francisco is assistant professor of accounting, School of Accountancy, College of Business Administration, Georgia Southern University, Statesboro, GA 30460.

Thomas G. "Tom" Noland is assistant professor of accounting, School of Accountancy, College of Business Administration, Georgia Southern University, Statesboro, GA 30460.

J. Ann Kelly is temporary instructor of accounting, School of Accountancy, College of Business Administration, Georgia Southern University, Statesboro, GA 30460.

changing business environment and the need to revise the accounting curriculum. The most recently touted study is by W. Steve Albrecht and Robert J. Sack. In their study, they determined reasons why students were not majoring in accounting by surveying professors and practicing accountants. Perhaps if they had surveyed students, they might have drawn different conclusions. This article examines student perceptions to reveal other reasons for declining enrollment.

Background

The American Institute of Certified Public Accountants (AICPA) has for many years polled schools and collected enrollment data from accounting departments. Their research has shown that enrollment has been declining significantly (AICPA, 2001). In 2000, Albrecht and Sack confirmed the AICPA enrollment data and analyzed the viewpoints of accounting professors and practitioners on problems facing the accounting profession. That

study, *Accounting Education: Charting the Course Through a Perilous Future*, was conducted as a joint project of the American Accounting Association, American Institute of Certified Public Accountants, Institute of Management Accountants, and the "Big Five" accounting firms.

Albrecht and Sack (2000) enumerated several reasons why the quantity and quality of students choosing to major in accounting have decreased. Those reasons included starting salaries for accounting majors being lower than for other business majors, a lack of information and considerable misinformation about what accounting is and what accountants do, and the 150-hours rule to become a CPA (Albrecht, 2000). The conclusions of Albrecht and Sack were derived from interviews and surveys of accounting professors and practicing accountants. This paper is based on results of a survey of a group ignored by Albrecht and Sack—the students.

Participants

The two participant groups for this study included accounting and non-accounting business majors at a growing university in southeast Georgia with a student population that exceeds 15,000. Even though it is located in rural Georgia, approximately 40 percent of the students come from the metropolitan Atlanta area. The rest of the students come predominantly from southeast Georgia, northern Florida, and South Carolina. One of the more diverse universities in the south, the university's student body is approximately 71 percent white and 24 percent black. The student body is 53 percent female and 47 percent male. The average SAT score for incoming freshman is 1052, which exceeds the national average. (Georgia Southern, 2002)

The first group of students surveyed, the accounting majors, totaled 65 including 31 graduate students, 31 seniors, two juniors and one student who failed to respond. The second group, the non-accounting business students, totaled 48. That group consisted of one graduate student, 41 seniors, and six juniors. The distribution of majors for the non-accounting group was seven in finance/economics, 33 in marketing/management, six in information systems/logistics, and two students with double majors. Accounting had more graduate

students since the state requires students to accumulate 150 hours before taking the CPA exam.

Results and Discussions

In an effort to answer the question "Why don't students major in accounting," two questions were considered. First, "Why do students choose not to major in accounting?" Second, "What causes students to select accounting as a major?"

The reasons given in the Albrecht and Sack for students not majoring in accounting were

- (1) starting salaries for accounting majors are lower than for other business majors;
- (2) students today have more attractive career alternatives than in the past;
- (3) students today are more willing to choose risky majors than they were in the past;
- (4) a lack of information and considerable misinformation about what accounting is and what accountants do; and
- (5) the 150-hours rule has increased the opportunity costs to become a CPA and prospective students perceive 150-hour programs as being too narrow and non-value added (Albrecht, 2000).

In the authors' opinions, numbers two and three are subjective and not easily measured in quantifiable terms. However, direct comparisons of students' perceptions of numbers one, four, and five can be made.

Table 1 provides the reasons the non-accounting business majors gave for not majoring in accounting. The students were allowed to choose more than one response.

Financial considerations and the 150-hours requirement were selected by only six percent and four percent of recipients, respectively. Obviously, these reasons are not why accounting was rejected as a major. While the professionals may have perceived those to be reasons students chose not to major in accounting, these data did not support this conclusion.

By far the most significant reasons for not selecting accounting were what could be considered "quality of work" issues. Table 1 shows that students generally thought accounting work was uninteresting, boring, and not the type of career path that would provide job fulfillment. These responses would seem to support the Albrecht and Sack contention that a lack of information and considerable misinformation about what accounting is and what accountants do exists. These responses also support the findings of other studies cited by Albrecht and Sack:

Table 1
Reasons for Not Majoring in Accounting

Reason	Percentage That Selected
1. Not what I wanted to do	69%
2. Wasn't interesting	58%
3. Boring	33%
4. Not suited for CPA-type work	27%
5. Subject matter too hard	25%
6. Bad teacher	10%
7. Financial considerations	6%
8. Requires 150 hours	4%
9. Don't know	0%

(1) accounting is usually offered as part of a vocational track in high school and is usually not taken by college-bound students; (2) high school teachers are not encouraging their brightest students to consider accounting as a career; and (3) misconceptions about what accountants do are pervasive with high school counselors, teachers, and students (Albrecht & Sack, 2000).

If, as the data suggest, students are not choosing accounting because they consider it boring or uninteresting, what factors do act as motivators to students to select accounting as a major? Table 2 shows the results of the study and suggests that the prime motivations are prestige of the profession and the potential for a high long-term salary.

Responses were on a six-point scale, with 6 being very important and 1 representing not important. The only items ranked as extremely important by accounting majors were long-term salary and prestige. The question had a very small standard deviation. Apparently, nearly all respondents thought these items of the utmost importance.

Conclusions

Based on the data of this study, certain relevant points conflict with the findings in Albrecht and Sack:

1. Long-term salary prospects and the prestige of the accounting profession are the most important reasons accounting majors chose the major.
2. Starting salary is not the most important considera-

Table 2
Importance of Items in Selecting a Major

		Acctg. Majors	Std. Deviation	Non-Acctg. Business Majors (Rank)	Std. Deviation
1.	Long-term salary	5.11	1.08	4.83 (1)	1.23
2.	Prestige	5.08	1.05	4.21 (3)	1.52
3.	Job Security	4.62	1.34	4.19 (4)	1.41
4.	Starting Salary	4.54	1.59	4.25 (2)	1.36
5.	Professor	3.28	1.75		
6.	Family member	3.22	1.92	3.48 (5)	1.56
7.	Difficulty of subject	3.15	1.41	3.02 (6)	1.60

tion given by accounting majors for selecting a major. In fact, job security ranks higher than starting salary with accounting majors as a consideration in selecting their major.

3. Financial reasons are rarely mentioned by non-accounting business majors for why accounting was not selected as a major.
4. The 150-hour requirement has not had a negative impact on the decision to major in accounting.

The only reason given in the Albrecht and Sack for declining accounting school enrollments that these data can support is the one dealing with a lack of information about what accounting is and what accountants do. From these data, one way to increase the number of students majoring in accounting would be for the profession to communicate more effectively what jobs accountants actually perform. The wide range of career options available to accountants should be

emphasized particularly to high school students and college freshman. By effectively communicating the attributes of an accounting career, the wide-spread perception that the work is boring and uninteresting could be countered.

Another way to successfully recruit students to accounting is to stress the long-term financial rewards and job security of the profession. It appears that those who choose to major in accounting realize the potential exists for both a high income and stable employment in their careers. Given the recent negative press surrounding the accounting profession, layoffs and ethical problems could ultimately prove to be a much bigger barrier to selection of an accounting major than has traditionally been perceived. The horror stories of failed careers of Andersen employees may well have a negative impact on accounting enrollments, because accounting majors place a high emphasis on job security. Finally, accountants must be judicious and proactive in

maintaining the image of accounting as a prestigious profession. Failing to address the recent wave of scandals is the incorrect approach. They need to communicate that the accounting profession has historically been regarded as the epitome of ethical and professional conduct and that the profession will once again rise to the challenges it faces today.

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