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Education: Accounting Education: Beyond The Stereotypes

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For many years educators and public accountants have argued about the proper role and function of accounting education.

Public accountants seem to believe accounting educators should be concerned solely with the field of public accounting, and thus see undergraduate education as leading purposefully toward the objective of a career in public accounting. Therefore, when the educator does not respond to proposals based on this stereotype public accountants are very critical.

Educators take a broader, more long-term view. They recognize that students are interested in many aspects of accounting other than professional public accounting, and that education in accounting is meant not only to train staff accountants but also to equip students for managerial and leadership positions.

Therefore it seemed appropriate to obtain a greater insight into student needs and student anticipations. Toward that end a questionnaire was designed and distributed to accounting students at the five major universities in southern California that have undergraduate accounting programs. Questionnaires were distributed to all accounting students at these universities who were taking an intermediate accounting class. Since questionnaires were completed in class and immediately returned, nearly a 100 percent usable response was obtained.

The students were asked for information on several items: 1) the career choice they expect to pursue upon graduation, 2) their expectations as to whether they will obtain their career choice, and 3) their expectations as to whether they will change their career choice before graduation. A copy of the questionnaire is obtainable upon request to the author.

The results regarding career choice are summarized in Table I. It appears that students made a wide variety of selections. Viewing the sample as a whole the students' first choice was accounting in private industry. National and local CPA firms were the second and third choices respectively. Though these selections both related to public accounting, they require quite different curriculum needs (as W. Schwartz¹ points out). A substantial number, over one hundred students had not yet made a career choice. The rankings also did not change significantly when the different schools were

Education

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Accounting Education: Beyond The Stereotypes

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compared. That is, the percentage of student selecting each alternative were similar at all five universities.

The students also were asked about the possibility they might change their career choices. Those surveyed were just completing intermediate accounting and could obviously change their career goals by the time they graduated. For this reason they were asked to state what the probability was that they would retain the same career choice. The mean scores were quite high with an overall average of 77.53 percent. This indicates the students do not anticipate any significant changes in their career goals before graduation.

Several conclusions then can be drawn from this survey. First of all, accounting students have a variety of career goals, of which public accounting is only one. Even if national and local CPA firms are combined as one choice in Table I, they make up less than 50 percent of the total choices. Significantly, over 7 percent do not intend to pursue accounting as a career. These students appear to view accounting as a part, albeit an important one, of their general management education. Second, though the career chosen did affect the student's perception of the probability of obtaining that career choice, the probabilities were in general quite high. Third, students appeared to be quite certain of their career choices. Each of these should be kept in mind when considering the suggestions to follow.

Suggestions

A gap certainly appears to exist between the short-term, limited view of public accountants and the broader, more long-term view taken by accounting educators. Two suggestions are offered: 1) multiple curricula to meet student needs, and 2) knowledge each group has of the other's field. Both objectives relate to a concern for improving the quality of accounting education. Multiple curricula will help begin a broadening of the horizons for accounting students. They will provide the students with well-developed options to satisfy their many diverse interests. Should enrollment be substantial in these options, as the results of the survey would indicate, public accountants will see clearly the educator's need to look toward a number of sources for advice in preparing for changes in the accounting program. Increased knowledge of the other's domain will also be very beneficial. It will help assure that interchange between and among groups interested in accounting education can occur at a higher and more concrete level. If both groups have a greater awareness of the other's basic problems discussions can concentrate on substantive issues. The possibilities for major improvements are thereby heightened.

Developing multiple accounting curricula

Previous suggestions for curriculum change have been based on the assumption that most students will eventually enter public accounting and

Table I
STUDENTS' CAREER CHOICES

Respondents

Career choices	Percentage	Absolute number
Accounting in private industry	22.4%	171
National CPA firm	18.3	139
Local CPA firm	16.8	128
Government and Not-For-Profit	10.2	77
Graduate education	7.8	59
Private industry, non-accounting	7.1	54
Do not know	14.1	107
Other	3.3	25
TOTAL	100.0%	760

thus only courses that relate specifically to public accounting should be added to the curriculum. The results of the survey reported above indicate that a majority of accounting students have other goals. Given these results it would appear there is a need to develop a number of alternative options within the overall accounting major to suit the needs of a number of different groups of students. Once students reach their second year of accounting studies they should be able to choose from a number of different options. These would include among others; small business management, governmental accounting, interdisciplinary options in public accounting, and corporate management accounting. An example of a small business management option follows:

1. Small Business Management
 - A. Accounting courses:
 1. intermediate accounting
 2. managerial accounting
 3. tax accounting (including individual, corporate and partnership)
 4. accounting and information systems
 5. internship with small business
 - B. Finance and marketing
 1. financial management
 2. marketing in a new business
 - C. Economics
 - D. Electives:

Courses from the following; internal auditing, advanced systems analysis, budgeting, and so forth.

Other options could be designed in a similar manner.

The essential point is that courses from other disciplines should be included in the accounting major, and that once past intermediate accounting, students should have a number of different paths that can be followed depending upon their particular interests. In this respect McCord is correct declaring "To respond to public needs, we will need more education, greater competence and further specialization."² Yet, that specialization must be in a number of diverse fields, not specialization within one field. Accounting options must be designed with the view that students can and should choose from a variety of career opportunities.

Knowledge of one another's field

A gap, in some ways, can be useful. When it indicates that different perspectives are being applied to educational problems the gap can be a positive influence. When it indicates a failure to clearly understand the other group's needs, however, the gap can be harmful. To minimize the latter, several suggestions will be offered. Though most of them point toward actions public accountants should take we believe the interaction those ideas will encourage can be helpful for both groups.

Provide internships and seminars. To improve the educator's knowledge of problems in public accounting the number of faculty internships should be increased substantially. Part-time employment during the academic year or full-time employment during the summer should be offered, particularly to tenured faculty for whom promotion problems are not a major overriding concern. Opportunities should be

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sought in local CPA practices, not just in national CPA firms. In addition, frequent one-day or weekend seminars should be sponsored at the public accountant's expense to help keep educators abreast of current issues facing the profession.

Allow leaves of absence for executives. Public accounting firms should encourage their executives to take one or two years leaves of absence at the firm's expense to enter the academic ranks on a full time basis. The benefits derived from such a proposal would flow in two directions. The university and students would benefit from the first-hand knowledge and experience these individuals could bring from their particular backgrounds. In addition when the extended leaves end the individuals should have developed a far better understanding of the academic environment and could communicate a great deal to their colleagues on behalf of the educational community.

Offer endowed chairs or financial support. Public accountants should increase the number of endowed chairs or the amount of financial support to help keep capable faculty within the academic ranks. Far too many capable individuals have left education for more lucrative positions in other areas of accounting. Increased assistance might help improve recruiting and allow more attention to be given to curriculum matters.

Offer grants in aid. The number of research grants should be increased substantially to promote more applied research. Support of this nature could make greater utilization of educators' methodological capabilities in helping to investigate some of the current problems facing individuals and organizations. More ex-ante analysis of various policy alternatives could also be conducted. In addition more aid is needed to support doctoral candidates and encourage capable individuals to pursue academic careers.

Publish textbooks and journals. As McCord³ commented, textbook publishers are partly to blame for the lack of new material in current curricula. They refuse to publish texts for which there is no solidly established market. Organizations like the AICPA, NAA, FEI and FAF should substantially increase the number of items they publish to promote new and valuable ideas the textbook publishers are currently unwilling to handle.

There is also a scarcity of journals in the accounting discipline. Some current publications weigh their selections heavily toward highly quantitative, methodologically sophisticated items. Others choose more practitioner-oriented items primarily expressing the author's views. In addition, however, there is a need for journals to present research of an applied nature where emphasis is on results practitioners can use without sacrificing methodological quality. Such journals could offer forums for academic work to be communicated in a manner public accountants would appreciate.

Alter accreditation requirements. Public accountant's should help change the personnel requirements the AACSB establishes for accounting departments. As Mautz⁴ recognized there is a need for both research-oriented and teaching-oriented educational institutions. Cannot different types of standards be established depending on the orientation the institution desires?

Involve many different interested bodies. Most of the dialogue regarding accounting education has occurred between the academic community and public accountants. Firms from the private sector and units from various government bodies must take a more active interest in accounting education. For example, this would include participation in developing multiple curricula to meet their specific needs. Since students have shown a sincere interest in pursuing careers in these areas, representation of both industry and government is essential if student needs are to be properly met. Both public accountants and educators must work diligently to attract these needed inputs.

Conclusion

There seems to be little doubt that a gap exists between public accountants and educators. Previous discussions, however, have done little more than defend one particular viewpoint. In this paper neither group was assessed greater culpability. It is more important that both groups acknowledge and express concern about this gap. As Bastable recently stated, "the first step in resolving a problem . . . is to acknowledge its existence. The next step is to understand its nature and causes."⁵ The purpose here was to approach that second step. The underlying cause of this gap is the manner in which each group stereotypes the other. This has led to suggestions by

one group that ignore many of the realities with which the other group must contend.

It is hoped the data presented here regarding student needs will be helpful to both groups, to give them some small body of common knowledge. In an era where accountants are more visible and face more complex situations than ever before, students preparing to enter the profession should be a major concern. The current members of the profession will determine the manner in which these students are prepared for their future vocation. These efforts are approached best with access to the thinking of individuals from all sectors of the profession. This can only happen if the gap between them is narrowed. This paper is one attempt to help move in that direction.

NOTES

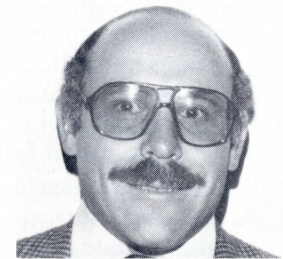
¹William Schwartz, "A Local Practitioner Comments on the Education of Accounting Students," *Journal of Accountancy*, November, 1975, p. 93.

²Frank M. McCord, "Accounting Education—A Crisis of Confidence," *California CPA Quarterly*, June, 1976, p. 12

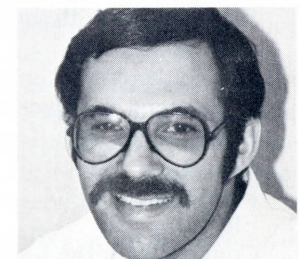
³*Ibid.*, p. 14.

⁴R.K. Mautz, "Where Do We Go From Here?" *The Accounting Review*, April, 1974, p. 359.

⁵C. W. Bastable, "Why Can't Johnny Account?" *Journal of Accountancy*, January, 1977, p. 69.



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