

CRISIS IN ACCOUNTING EDUCATION

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ABSTRACT

The perceived deficiencies in accounting education have prompted widespread calls from interested stakeholders, such as accounting educators, practitioners, and employers, with increased emphasizes on developing communication, interpersonal and intellectual skills, and on broadening the knowledge base in accounting education. This paper explores the effects of business changes, which have brought tremendous change to accounting profession, and eventually have led to crises in accounting education. The roles of education and universities then are examined, follow by discussion of whether the increased length of education is justified, and should students complete more liberal arts studies in their accounting degree. Finally, some prospects for accounting education changes are considered.

BUSINESS CHANGES

Historically, businesses have relied on accountants to prepare financial information for external and internal stakeholders, to audit the fairness of the information and to assist in meeting the regulatory and tax-reporting requirements. Information is expensive, thus generate effective management of product life cycle and competitive advantage. Investors have little influence in management decision-making and have difficulties in requiring specific information; therefore the management inefficiencies are not readily observable.

Nowadays, the world is changing significantly, thus affecting the accounting profession and accounting education profoundly. The list of forces is extensive, but some of the key influences that alter business environments and the nature of the accounting profession are (Albercht and sack, 2001):

Globalization

Globalization has profoundly influenced business operation and roles of accounting and accountant play in them. Faster transportations couple with the inexpensive, instantaneous information, result in fierce globally competition. The mobility of people, capital and other resources worldwide is increasing with amazing speed, thus distance and national jurisdiction represent less barriers in business.

Technology

The speed, reliability and sophistication of communications have enabled quick preparation and dissemination of information at lower costs. Yet most accounting courses focus on preparation of financial data rather than its evaluation and

assessment. Because the technology can produce the financial information at once, those who are trained solely for data preparation will be far behind

Concentration power

The concentration power among certain market investors include mutual fund like fidelity and vanguard, and pension funds like CAALPERS, has a significant influence on management decision-making. Corporate executives must constantly be prepared to respond to their requests, questions and concerns. To prepare for such investors demands, management need instantaneous information, not only about the current market, but also the future events. These changes have drastically altered the old accounting models, which assumed the information is expansive and the historical costs are important. Some of the business changes caused by these three factors are obvious:

- Shorter length for both product life cycle and competitive advantage
- The emergence of new professional services
- Increasingly complex business transactions
- Changes in financial reporting and relationships with financial market and market players
- Increase in rules and regulations domestically and internationally.

CRISIS IN ACCOUNTING EDUCATION

These changes, which have greatly affect the accounting profession, are also have deep impacts on accounting education. Several crises have been identified concerning the role of accountants, the decreasing number of accounting students enrolment and the deficiencies of accounting students

The increasingly complex roles of professional accountant

Are accountant bookkeepers or consultants? By the end of the 20th century, with the significant growth of world economy, technological changes, and the intense, heightened competitions; the roles of accountants have dramatically different. These changes have forced the accounting community to embrace broader base of activities and drastically alter the waning auditing function. The public and business community expect that the accounting professional to perform not only as auditors and compliance accountant, but also as business advisors, placement specialist, litigation experts, computer consultant, personal financial planners, and management advisor and consultant (Herman, 2000) they also must become more concerned about general issues such as ethics, effective communication, and positive public relations that were once the responsibility of partners or superior-level employers.

Role ambiguity is particularly true for auditors who perform the audit or the attest functions, which historically is what professional accountant normally perform. The public currently expects the auditors to report objectively what is often either subjective or incomplete data. However, some claims "an accountant is paid for his judgment, not for his technical abilities" (Belkaoui, 1985). Indeed, the accountants' tasks consist of both science and art; it includes not only reporting but also

synthesizing and offering unbiased judgments and opinions on financial information. Thus, this view has created dubious roles for auditors.

Efforts to obtain a broader role for accountants have forced the profession to re-examine the relationship between the types of skills that accountants use and need. The profession has attempted to establish, in school curricula and through examination questions and formats, a more realistic representation of the technical, academic and real-world skills that the profession requires. Technical and broad-based ethical standards have been established by myriad bodies inside and outside of the profession to guide professional activities, better define accounting duties for the general public, shield professionals from excessive liability, and avoid excessive government regulation (Merritt and Bailey, 1998).

Therefore, the ambiguity surrounding exactly what accountants do has created disagreement over what accounting students need to know and how they learn. Many educators, practitioners, and employers view that accounting programs as more than preparation to pass the professional-entry exam. But some stakeholders appear to think that accounting programs should be primarily concerned with training students in the profession of accounting, instead of educating them for dynamic environments. They also think that providing more specialized instruction in particular fields, such as tax and audit, will expose students to more relevant work done by practicing accountants.

Decreasing number of students

While business communities continue to demand the accountant's services, the supply of accountants has been reduced significantly in quality and quantity. For years the AICPA has conducted a supply-and-demand studies, involving the number of students enroll in accounting department. The results are alarming, showing the serious decline in the number of students that have been graduated with accounting degrees as well as enrolment numbers. Some of the results are:

- For more than 20 years, the average number of students receiving bachelors and masters degrees in accounting had been 60,000 students per year. However, for year 1998/1999, 47,600 students have been graduated in accounting degree, a marked 20% decline.
- Also at the same year, there are 23% declines from 1995/1996 students enrolment, from 192,000 to 148,000 students. The number of students pursuing a master's in taxation has decreased from 4000 to 2000 during the same period.
- The percentage of college students majoring in accounting has dropped from 4% in 1990 to 2% in 2000, and even more alarming, the percentage of high school students who intend to major in accounting has dropped from 4% in 1990 to 1% in 2000.

There are a number of perceived reasons why the quantity and quality of students choosing to major in accounting have decreased, which include (Russel etc, 1995):

- **Starting salaries for accounting majors have not increase at the same rate as for other business major.**

- Students are more attracted to other more popular majors and highly paid areas such as information system (IS, finance, logistic, e-commerce and strategy).
- Students are more willing to choose “risky” major than they were in the past.
- There is lack of information as well as misinformation about what accounting is and what accountants do.
- The increased length of formal education that professional bodies require to be completed has increased the opportunity costs to become professional accountants. Also, prospective students consider the professional requirements as being too narrow and non-value-added.

Deficiencies of accounting students

The past fifteen years have seen the publication of many reports evaluating the state of accounting education. These reports include American Accounting Association (AAA) 1986, Arthur Anderson et al (1989), AICPA (1998) and IMA (1999). These reports are astonishingly consistent in their conclusions; insufficiencies of current accounting education programs and structure conduct to unseemly preparation for future accountants. The main problem identified is that accounting education has failed to keep pace with the rapid changing in the scope of practice and in the nature and content of accounting services.

The study conducted by AAA’s Bedford Committee 1986 charged that accounting education required major re-orientation, saying,

Despite widespread complaints that accounting graduates do not know how to communicate, do not reason logically, are deficient in interpersonal skills, and cannot think creatively and responsibly, university accounting education has persisted in teaching the content of textbook rather than developing students’ capabilities (p.86).

The failure of accounting education to adequately prepare students for the new environments is also reflected in the observation of Jim Cousins (1998) Member of Parliament in the United Kingdom:

One of the great failures of accountancy education is that it does not prepare accountants to meet emerging challenges; they are instead encouraged to rely on a plethora of official answers, such as accounting and auditing standards. All accounting problems arise from social, economic and political context... (But) many (professional accountancy courses) emphasize the latest technical rather than reflect on the changing social and economic environment.

Historically, accounting degree programs throughout the Anglo-American world have been dominated by the academic requirements of the accounting professions, and more particularly, by the needs of public practice. As a result, accounting programs have been to some extent rigid in nature and subject to specialization. Further, traditional accounting curriculum has focused on rule base in orientation and students perceived that the subject is associated with rote memorization (Inman et al, 1989). Such curriculum is irrelevant, with the changed demands of accounting profession and may leave accounting graduates ill-equipped to deal with the challenges they will face in the new, rapidly changing, globally-oriented commercial environments. The complaint about accountants’ communication and analytic analysis was actually of

long standing. Around 1920, the deficiencies of junior public accountant were said to include (Winter, 1941):

- Lacking in many of the rudiments of business arithmetic constantly recurring in commercial transactions
- Unable to use correctly everyday business terms
- Unable to write a clear and concise business letter
- Unable to grasp simple business problems quickly
- Not thinking clearly....

CHANGES IN ACCOUNTING EDUCATION IN USA, UK, AUSTRALIA AND NEW ZEALAND

These crises have lead to impassion calls for fundamental change in accounting education, with increase emphasis on developing communication, interpersonal and intellectual skills, and broadening the knowledge base. These calls have been answered by the academic community with significant efforts to reinvent pedagogical techniques and restructure the curriculum to address the perceived deficiencies in accounting graduates. Efforts have been notified especially in United State of America (USA), the United Kingdom (UK), Australia and New Zealand.

USA

In the US, the AAA's Bedford Committee has been a driving force in the process of change, recommending the development of students' learning to learn as a primary objective. There is also the introduction of the 150-hour educational requirements by the American Institute of Certified Public Accountants (AICPA, 1988) and the new accreditation requirements of The International Association for Management Education (AACSB,1991). The 150-hour requirements will increase the length of education into five year where accounting students are required to include 39 hours of general business and 36 hours of upper level accounting.

Australia

Similar changes have been proposed in Australia by the Task Force for Accounting Education in Australia (Birkett, 1989) and the subsequent government sponsored review of undergraduate accounting education identified a general lack of experimentation and innovation in teaching methods (Mathews, 1990). New proposals to include additional non-accounting and non-business studies subjects are likely to lead to an extension of the accounting program by one year to a total of four years.

New Zealand

The New Zealand Society of Accountant (now is known as Institute Chartered of Accountant of New Zealand (ICANZ)) is changing from emphasis on accounting and finance (with a reduced elective components) to four-year courses with greater emphasis on electives in the first two years. In January 1994, the ICANZ adopted a

policy whereby the academic entry requirements for the accounting profession would from 1996 onward; include four years' equivalent full-time study and completion of an undergraduate degree. The four years' study is to comprise 35-40% accountancy-based subjects, 35-40% general business subjects and 20-30% liberal education (Porter and Carr, 1999)

UK

In UK, calls have been made for education programs that are broad and innovative rather than narrow and traditional (ICAEW, 1986, 1987 and 1993; Lothian, 1986). Accounting has typically lacked academic status and prestige in the UK, being a relatively recent addition to the university curriculum. The UK pressure for change within accounting undergraduate programs is very much part of a general movement towards broader based learning at all levels within the education process. Nevertheless, unlike in the US, general education is not a feature of the UK degree. UK degree and the qualifications of professional bodies tend to be more specialized. However, as all UK accountancy bodies require further studies beyond undergraduate programs the link between professional and undergraduate studies is less intense.

The entry qualifications for professional training are also vary. Only the Institute of Chartered Accountants of Scotland (ICAS) requires all entrants to possess a degree, though not necessarily one in accounting. The other bodies will admit students with A levels/ Scottish Highers as well as higher qualifications such as Higher National Diplomas and degrees. The advantage of possessing a degree is that exemptions are available from the earlier stages of professional examinations (Paisey, 1995)

MORE ACCOUNTING COURSES?

The revolutions in accounting education share a parallel feature, except in the UK, many Anglo-American universities have increased the length of education needed for accounting students to complete the degree. One form of changes advocated for many years is a requirement for postgraduate education. In counter to advance in knowledge, older, established professions such as medicine and law, have altered the structure of the degree, where students acquire technical training in graduate programs, and a broad, liberal, four-year undergraduate education. Likewise, accountants want to build upon a broad undergraduate education as the foundation for specialized, technical training (Merritt and Bailey, 1998).

The central issue of curriculum design is the accommodating huge quantities of information in the limited time available. The approach of expanding the time available for learning is not necessarily the best solution. Nevertheless, particularly in USA, many stakeholders support the additional requirements (150-hours requirements) because of (Wyhe, 1994):

- The scope of services of professional accountants have been expanded
- Rule-making bodies have reacted with a proliferation of accounting and auditing pronouncements
- More exposure to behavioral sciences is needed

- Technological changes have occurred and there is widespread application of the computers

Thus, with the additional requirements, future accountants should be fully prepared in their university education.

However, some stakeholders believe that much of the motivation for increasing the duration of formal accounting education arises from the efforts of accountants to establish their vocation as a profession. Kester (1936) argues that if accountants want to be called 'professional' they must understand that the key to being a professional is being educated scientifically, and not merely trained through experience. Therefore accounting community believes that requiring a strong educational background is the most effective strategy for gaining the status afforded other professions. This notion has been prevailing since early 19th century:

If the accountant is to be simply a man of figures, expert in practical calculations, adept in finding mistakes in trial balances, and similar routine matters, and in detecting an erring cashier or bookkeeper, he will occupy a respected and useful position in the community, but he cannot claim for himself the rank of a professional man. A profession has been well defined as a calling, which demands of its members a high order of intellectual attainment, which can be acquired by long and arduous preliminary training (Sterrett, 1905, p.2)

Also, much opposition are voiced against the increased length in the accounting formal education. For example, in USA, much antagonism are pronounced to the 150-hour rule by academics, practitioners and employers as they questions the necessity of increasing education, especially without agreement on what actually constitutes the additional education – structure and substance. Moreover, accounting firms differ in their needs. Small firms may be concerned about the increased costs (wages) that additional training implies. They are in less of a position to use many of the broader-based skills that such programs could provide because many small companies focus on traditional accounting services. Large firms, on the other hand, want a more integrated curriculum and more training in the liberal arts since they are in better positions to take advantage of these new skilled employees (Merritt and Bailey, 1998).

The opponents also argue that the additional requirements would be extra barriers to entry into the profession and are not fair to the poor and minorities who would be less able to overcome such barriers. Also, there is no proof that greater exposure to accounting courses would improve external exam scores. Eventually the cost to students and to the public will be enormous because all accounting students will have to complete an additional year of college to meet the requirement (Wyhe, 1994).

ROLES OF EDUCATION

As many concerned stakeholder argue for more education for accounting students, they believe that broaden the breath of education, students should take more non-accounting courses, or more liberal education

On the other hand, others seek change aimed at providing more specialized instruction in particular field, such as internal auditing and international accounting, which is more vocationally oriented.

Due to this schism of views held by its constituents, the university community is having a difficulty in deciding what and how to teach accounting students. Should the curriculum emphasize current accounting standard and rules and prepare students for professional licensure exam, or should a broader view of education, that of preparing the students for lifelong learning be employed?

Essentially, the meaning of education and the role of university need to be addressed first. Thus, attempt will be made to demonstrate the depth at which the question of a balance between liberal and vocational education has been addressed through the last three millennia (Honigberg, 1994)

Chinese philosophers

Nearly 2600 years ago the origin of debate about what we now call vocational and liberal education had begun by Chinese philosophers; Confucius and Lao-tse. Confucius (c.551-479Bce) believed that education helped socialize the individual and that the acquisition of knowledge was vital for the social order. His theories thus provided the foundation for what is known as vocational education, or education aimed at making people productive and thereby good citizens. Unlike Lao-tse (c.604-531Bce), the founder of Taoism, he saw education as a part of cultivation of the individual and learning was a step toward understanding and personal growth (Allen, 1998). This view is in keeping with the modern concept of a liberal arts education.

The middle ages

With the rise of Christianity in the middle age, the education was perceived as a preparation for the after life and as a means of attaining salvation. The universities of the time were committed to the training of scholars and to the advancement of knowledge. In contrast, the humanist philosophies of the Renaissance focused on the development of the individual, and learning was intended to enhance life in this world.

Newman (earlier 19th century)

Newman defined university as 'a place of teaching universal knowledge'. University, he claimed, should be about the transmission of knowledge, not its advancement. He pointed out that the aim of the education of professional students was to make them capable and active members of society. He continued to believe that:

'General culture of mind is the best aid to professional and scientific study, and educated men can do what illiterate cannot; and the man who has learned to think and to reason and to compare and to discriminate and to analyze, who has refined his taste and formed his judgment, and sharpened his mental vision, will not indeed at once be a lawyer, or a pleader, or an orator, or a statesman, or a physician, or a good landlord, or a man of business, or a soldier, or an engineer, or a chemist, or a geologist, or an antiquarian, but he will be placed in the state of intellect in which he

can take up any one of the sciences or callings I have referred to, or any other for which he has a taste or special talent, with an ease, or grace, a versatility and a success, to which another is a stranger. In this sense, then, and as yet I have said but a very few words on a large subject, mental culture is emphatically useful' (1976, p.145)

20th century

There are two different perspectives in viewing the roles of accounting education in the 20th century; supply side approach and demand side approach. The supply side emphasizes that education should introduce students to the requirements of responsible and rational citizenships by providing a wide range of courses, so that individuals can build up their own skills for becoming competitive and innovative. Education is also considered to be a public good, where the access is available to everybody. By using free market principles, education should be allocated through free- pricing mechanism. If education were left to free market, it would deliver those subjects which society demands with the aim of teaching useful ideas and valuable skills. The supply side approach to teaching allows teaching management to determine their own policies and what they believe as beneficial for students. The highlight of this approach is focusing on more liberal art studies (Bloom et al, 1994).

The universities play multiple, unique and vital roles, which is clearly captured by Hersch and Weber (1998):

They are chief agent of discovery, the major providers of basic research that underlies new technology, and improved health care; they are the engine of economic growth, the custodians and transmitters of cultural heritage, the mentors of each new generation of entrants into every profession, the accreditors of competency and skills, the agents of personal understanding and societal transformation. In them, on a daily basis, the young and the old seek to bring wisdom, insight, and skills to bear the daunting complexities of human affairs (p.28)

On the other hand, a demand side- approach in professional accounting education considers the degree as a means to discriminate and construct barriers as well as to controlling entrance to the professions. This approach enables students, future employers, governments, or other authoritative institution to determine course content, curriculum structure, admission policies, research topic, instructor evaluation schemes.

Education could also be exploited as a political tool to preserve a particular social structure, to maintain specific view of the world, and to enforce a specific notion of social and economic justice. In such regime, education may be associated with such term as indoctrination, socialization and discrimination. In contrast, within free market model, as profit motive, pricing mechanism, and competition determine educational programs, procedures and policies. But if government, the educational organizations, and other authoritative institutions manipulate education as a means to further their own objectives, it is difficult to see how education can be made responsive to the unique and different needs of a changing society (Bloom et al, 1994).

An ongoing dispute in the accounting education concerns the question of the extend to which education should respond to environmental changes or maintain status quo.

MORE LIBERAL ART STUDIES?

In the current debate, both practitioners and academics seem to suggest that accounting education should contain a general exposure to discipline unrelated to accounting and business. They believe that this exposure will serve to broaden and enrich the general background of the students and future accountants. Accounting students should be exposed to the general education provided by the humanities and sciences – social, life and natural – and to the specific knowledge necessary to their profession. Therefore, students are likely to have a greater general knowledge of the world, but rather limited knowledge of their own discipline. In fact, students will receive a more liberal general education and a less liberal accounting education (Murphy, 1992).

Why liberal art studies should be emphasized in the accounting education?

Carol M. Baker, former senior associate of the Corporation and now vice president of programs at the Nellie Mae Foundation, states *'the goal of an undergraduate liberal arts education is to provide students with knowledge, values and skills that will prepare them for active and effective participation in society.'*

Meanwhile Harris (1991) claims that: *'[The purpose of a liberal arts education is to] open the mind, to correct it, to refine it, to enable it to know, and to digest, master, rule, and use its knowledge, to give it power over its own faculties, application, flexibility, method, critical exactness, sagacity, resource, address, [and] eloquent expression....'*

Liberal learning, which is a combination of arts, humanities as well as sciences, provide students with the ability to learn in a way that enriches the human experience, to communicate effectively with people from different cultures, races and nations, and to make sound judgments about issues of great human consequence emerging from scientific discovery and technological developments. The need for a liberal education is also heighten by a rapid changing world that requires the best of its citizens. From a social perspective, the democratic society depends on citizens who share and sustain a commitment to common values within cultural diversity and a dynamic economy (Baldwin, 2000).

Research over the past decade has strongly indicated that marketplace is demanding a wide range of competencies, not just technical accounting and business skills, from the professional accountants. Liberal art curriculum thus will provide strong foundation for accounting students the needed, invaluable skills, such as critical thinking as well as sharing and collaborating idea which us strengthen by the appreciation of history, culture, literature and sciences.

Technology revolution requires greater adaptability for many professions. Technology will play a central role in the future employment, responding rapidly to the needs of

societies at the times and enabling new and different kinds of work to be done. The challenge for workers will be to keep up with the new technologies and to continuously learning. In the ever-changing environments, the winners will go to those who have learned how to learn.

Another reason that some stakeholders require the accounting students to have more liberal courses in their degree is many accounting programs are too focused on preparation for external examination, thus does not adequately prepare students to meet the demand and risks of professional practices. For instance, from the beginning, accounting academics in USA have structured the curriculum to cover the subjects incorporated in the exam. Previts and Merino (1979, p154-155) documented:

After 1910, one specific issue, the ever-increasing orientation of academic programs toward the CPA examination, aroused the wrath of most of the national leadership. Some academicians joined with the institute in voicing criticism...the debate continued into the 1920s; but....accounting curricula had repudiated conceptual approaches in favor of technique and procedure.

Many prestigious groups have criticized the situation and urged a decoupling of the CPA exam from the curriculum:

The CPA examination has become a significant influence on the overall accounting curriculum and on individual courses...the Committee strongly believes that this influence has been, and continues to be, principally negative... the Committee strongly believes that accounting education needs to be separated from sitting for the CPA examination (AAA, 1989, p.171-1772).

Passing the CPA examination should not be the goal of accounting education. The focus should be on developing analytical and conceptual thinking – versus memorizing rapidly expanding professional standards (Perspectives,p8).

Another criticism is focusing on the external exam transfer control over the curriculum to regulatory bodies. Faculty of a college and university has ultimately decision-making authority over the design of curriculum. However, using the CPA exam as the primary benchmark for success provides regulatory bodies such as AICPA implicit control and authorities over the design of accounting programs. Also, over reliance on the CPA exam as an exogenous measure of program effectiveness will hinder the accounting faculty's degree of freedom in terms of introducing new topics, applying new teaching methods and developing new courses, thereby restraining creativity and innovation in the classroom (Lawrence, 1998).

Nevertheless, success on the CPA exam is often used to assess the quality of accounting programs. This can put pressure on educators to teach to the exam and focus on details of currently acceptable practices. Furthermore, it has been difficult to develop assessments to measure accounting programs depth and breath. Accountants and educators need to work together to develop evolving and comprehensive approaches to assessment if the certification is to be valued by other practitioners, business community and society (Flynn et al, 1995).

Arguments against more liberal art studies

Some stakeholders believe that accountants should not be exposed toward broad, general background, as they believe that basing education on solid knowledge and skill requirements (standards) provides students with clearer indications about what they should learn and to employers on what students are capable of. Although there are many fears regarding the 'teaching to the test' tendency, standards-driven training and assessment will undoubtedly force education to become more accountable to various constituencies and make education more comparable across regions and schools (Merritt and Bailey, 1998).

In addition to complicating the standards-setting process, the proliferation of specialties raised concerns in the accounting community about the credibility of an accountant's professional credentials. Accountants worry that the more business-like (as opposed to technical) accounting activities of management consulting and the like are perceived, the more the public's faith in the independence and objectivity of accountant will be threatened.

Beside, the constant broadening of accounting activities has made it difficult to develop timely education, especially when educators in colleges and universities often lack contemporary marketplace experience that they can bring into the classroom. Often, educators that train students may not be the individuals with the most recent technical expertise but rather academic researchers who study more long-range conceptual concerns (Leisenring and Johnson, 1994). There is, therefore, a huge gap that emerges in training; it is difficult for academics to teach the practical skills they do not deal with on a daily basis.

Also, the integrating accounting and non-accounting knowledge will place much burden on the shoulders of students themselves. They will be forced implicitly to take the liberal studies thus the scheme would probably not produce the desire results nor make them different persons. Furthermore, all subjects, regardless it is arts, humanities or sciences, can be taught mechanically or technically; and most subjects can be taught liberally when they are placed in their social context, when their evolution is tracked, and when they are compared with the knowledge practices and norms of other cultures and societies (Murphy, 1995).

Moreover, there is ambiguity exists in the professions' view of itself and its requirements for practice. The 1974 Whitman found that practitioners favored accounting programs that focused on more vocational skills. Among other things, the accountants who were surveyed tended to believe that there was too much emphasis on conceptual understanding rather than the acquisition of technical skills thus this resulted in less proficient entry-level accountants. The ability to diagram an information system as well as strong background in economics, they felt, were unnecessary. Ultimately, they believed that reducing the requirements for behavior-oriented classes could save costs and time (McGee, 1987).

According to one critic of accounting education, accountants '*assert that the accounting graduates they are receiving do not possess the necessary skills, and educators state that students should be educated for life, not particular job*' (McGee, 1987, p. 1). This difference was proven in a study in the late 1980s, which showed that

students encountered different workplaces than the ones for which educators prepare them. A survey of accounting students six months from graduation and accounting professionals with 1.5 to 3.5 years of experience, indicates that students expected to use more broad-based skills such as communication and interpersonal relations than practitioners found they needed (Inman et al, 1989). Students' expectations were higher than individuals with workplace experience, especially in the areas of public service provided to clients, on-the-job opportunities to learn more about business, perceptions of the profession by the general public, and overall interesting aspects for the profession.

PROSPECTS FOR CHANGES

What are the prospects for change? Today's accounting graduates are criticized as lacking essential skills and knowledge, which are grounded on narrow breadth of education and the shallow depth of learning. Today's accounting curriculum and courses are too narrow and technical. To overcome the deficiencies, the curriculum must be broadened and accounting courses must be deepened. While important, the question of length of education is not the primary issue.

To meet the mandate for more breath, I believe accounting faculty must come to fully appreciate the value of a broad, liberal education, to the point where they are willing to restructure curriculum to increase non-accounting hours. This could embrace of the business courses such as economics, finance, e-commerce and information technology in upper level. This coverage will provide a strong business background for accounting students, as they will see world from different perspectives.

To meet the mandate for more depth, accounting course contents must be completely restructured, considering the modality, structure, logical sequencing of materials, and conceptual difficulty. Content should include less technical memorization and more emphasis on abstraction, judgments and communication skills. Accounting faculty must familiarize themselves with the vast literature in cognition, learning and educational psychology, and seek out training and assistance in pedagogy and curriculum development. They should be a correspondence between classroom activities and real-world issues and problems; courses should simulate the real-world environment as closely as possible, in order to best prepare students for the types of activities and problems they will encounter in the profession.

Also, in order to keep pace with the changing world and accounting profession, the roles of educators, students and practitioners should also change (French and Copping, 2000). The core role of educators is changing from the transferring of accounting knowledge through classroom lectures to managing the educational processes. As managers, accounting educators assume many responsibilities, including:

- Promoting the accounting profession to prospective high school students and to undecided majors in universities.
- Facilitating students learning by using a variety of appropriate teaching strategies, such as group discussions of issues or problems, peer teaching, brainstorming, panel discussion and debating, interviewing, case studies, role

play, mock conferences, storytelling, simulations, demonstrations and field and lab work.

- Administration of resources necessary to provide the educational processes
- Research that supports the accounting profession
- Maintaining their own competency in their area of expertise

Historically, accounting educators have not been required to develop such an extensive range of skills. Nevertheless, these critical skills are greatly expanding. Therefore, accounting faculty will need to actively participate with accounting practitioners in developing accounting programs that will produce the desired skills and competencies as well as prepare accounting students for lifelong learning.

The role of students should also change as they become more involve in their studies and as active learners. Normally students always employ their analytical skills and ability to process large quantities of information in the simple case studies, and not in complex, uncertain business environments. They also may have avoided classes that would develop other non-technical capabilities such as communication and interpersonal skills. Thus accounting students should be advised to take courses that will develop such these skills, which are essential in the accounting profession.

Involving students in the assessment and evaluation process is another essential part in developing them as active learners. When students become partners in the learning process, they gain a better sense of themselves as readers, writers and thinkers. When students reflect on what they have learned and on how they learn, they will develop the tools to become more effective learners. With practice, students who self-assess become more conscious learners, capable to apply knowledge of their learning needs and styles to new areas of study.

The roles of accounting professionals will also be expanded as active participants in recruitments of prospective students as well as delivery of accounting education. In order to help teaching institution, accounting practitioners need to convey the needs of the profession to educators and participating in classroom activities as needed. Additionally, practitioners need to effectively use the talents of students in their internship and part-time employment opportunities. With the intention of attracting and retaining the brightest students into the accounting profession, internships and part-time employment should be planned to provide a sufficient number of assignments that interest current and prospective accounting students.

CONCLUSIONS

Academic accounting programs in colleges and universities have experienced difficulties in keeping pace with the new demands for accounting services from the business community. For decades, various commissions funded by professional organizations and large accounting firms have concluded that accountants need more than technical training to satisfy these expanding needs of business community.

Accountants must be able to gather and analyze information, apply general business concepts to specific data, communicate confidently with a multiplicity of individuals from different culture and nations, as well as diagnose complex situations and offer

solutions. These responsibilities require skills that span beyond the rote application of traditional methods and procedures. Thus, to provide these essential skills and knowledge, accounting education needs to change its direction, and the changes would not take place without collaboration from accounting educators, students and accounting practitioners. If accounting graduates continue to be ill prepared to function effectively in this ever-changing world, employers will have no choice but to recruit graduates in other disciplines to fill their needs.

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