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ACT OR OMISSION

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Abstract

Much has been written about the teaching and learning deficiencies in Accounting Education. The recommended strategies for addressing these deficiencies have focused on broadening the curriculum and developing alternative delivery strategies. While many tertiary institutions have grappled with these issues and developed a number of initiatives to address the criticism, these initiatives have failed to stem the flow of criticism from the profession, or the decline in high achieving students embarking on accountancy education.

This begs the question. Is it something we do, rather than not do which contributes to these criticisms? One common thread in a number of the reviews is that the discipline is boring, predictable and procedural. However there has been limited discussion on the cause of this other than to suggest our teaching methods are archaic and inappropriate. Such a criticism is surprising given that our teaching methods are not significantly different to those employed in other disciplines.

This paper suggests that the positioning of the teaching and use of debits and credits in the accounting curriculum creates an unhealthy emphasis on procedure which detracts from the role and purpose of accounting. As a consequence a strategy for moving this dinosaur from centre stage is proposed.
Introduction

Much has been written by the professional accounting bodies (IFAC 1995), academia (AAA 1986), international accounting firms (Arthur Anderson et al 1989) and government funding agencies (Mathews et al 1990) about the teaching and learning deficiencies in Accounting Education. It was noted however, that while desirable capabilities had been identified, no attempt had been made to suggest strategies for achieving the said capabilities (Barefield 1991).

A consequence of these criticisms in the USA was the establishment of the Accounting Education Change Commission whose mandate was to: “.. enlist the co-operation and creativity of the academic community and other stakeholders to bring about needed changes in accounting education” (AECC 1990). The work of the AECC focused on encouraging change by, firstly convincing academia on the need for change and, secondly conveying information about how to improve accounting programmes (Sundem 1999a). This resulted in the release of a number of Position and Issues Statements and the implementation of a grant programme, which sought to address the deficiencies identified. Sundem (1999a) concludes that while these initiatives were particularly successful in promoting the development of communication and interpersonal skills into the curricula, the change in content of accounting courses was less marked.

In 1995 May et al undertook an educator survey which concluded that the AECC had achieved the first of its aims. They found that while there was general agreement among
accounting educators of the need for change in the curriculum and teaching and learning strategies, there was a lack of consensus on how this change should occur and it was acknowledged that this change would not occur rapidly.

Despite the efforts of the AECC and support for change from the academic community, the changes implemented were insufficient to stem the flow of high achieving students away from the discipline (Garner & Dombrowski, 1997; Albrecht & Sack, 2000).

This paper seeks to review the literature and findings to date, identify the cause of the problem, propose a potential solution, discuss the challenges arising from this and highlight opportunities for further research and development.

**Background**

Declining enrolments in accounting programmes has been well documented for over a decade. First Arthur Andersen et al (1989) identified declining enrolments as indicating that the profession was becoming less attractive to students, while Mathews et al (1990), concluded that the accounting curriculum was predictable, routine and boring to the very able students. Garner & Dombrowski (1997) found that while the more able students were enrolling in introductory courses in Accounting they were not advancing in the discipline and that introductory accounting courses may be acting as a deflector to potential accounting students. Then in 2000 Albrecht & Sack, confirmed a continuation of the decline in the number and quality of students choosing to major in accounting.
The perceived reasons for the decline in the number and quality of students choosing to major in accounting, were (1) the lack of information or misinformation about what accounting is and the nature of the duties performed by accountants (Garner & Dombrowski 1997, Albrecht & Sack 2000), (2) the perception that the accounting curriculum was predictable, routine and boring (Mathews et al 1990), (3) that student perceptions of accounting are not compatible with the “creative, rewarding, people oriented careers that many students envision for themselves”. (Albrecht & Sack 2000, p29).

Albrecht & Sack (2000) suggest that this lack of information is caused by four factors; misunderstanding of accounting careers by high school teachers and career advisors, a mismatch between the perceived skill set and the actual skill sets required for accounting careers, the emphasis on bookkeeping in the high school accounting curriculum and, the narrow focus on scorekeeping in tertiary level introductory accounting courses. This final factor was considered to be a major factor in “turning off potential accounting majors” (Garner and Dombrowski 1997, p307).

Responses to this suggested problem included:

(1) the recommendation to design more conceptual and less procedural accounting courses (Mathews et al 1990)

(2) the release of Issues Statement Number Two – Decoupling of Academic Studies and Professional Accounting Examination Preparation (AECC 1991) which sought to enhance the educational experience of students,
(3) the issue of Position Statement Number Two – The First Course in Accounting

(AECC 1992) which acknowledged that “this course shapes the (1)perceptions of the profession, (2) the aptitudes and skills needed for a successful career in accounting, and (3) the nature of career opportunities in accounting.”

(4) suggestions to develop quality promotional material on accounting as a career

(Garner & Dombrowski 1997).

While the career image of accountants has been identified as an agenda item for the employers and professional bodies, they look to academia for a solution to the image portrayed by the curricula.

**The Problem With the Curriculum**

What makes accounting routine, predictable and boring? My hypothesis is, that the strict adherence to procedure, pronouncements and statutes that emphasise compliance, is a contributory factor to the image of the accountant as a scorekeeper. We create this perception by teaching the double entry debit/credit bookkeeping model in introductory accounting courses and then perpetuate it with a focus on statutory and regulatory requirements in intermediate accounting courses. The cynic would suggest that we have totally extinguished any remaining creative spark within our students by the third year.

This view which was endorsed by the AECC, led to the release of Issues Statement Number Two – Decoupling of Academic Studies and Professional Examination
Preparation (AECC 1991). This Statement acknowledged the undesirable influence of professional requirements on an academic education. Implicit in this was the assumption that a high level of technical detail is not necessary. It also proposed that detailed technical compliance related training should occur after and not concurrently with undergraduate study. The findings of Albrecht and Sack (2000) would suggest that we as educators have done little to heed this advice at a time when there are increasing demands to produce work-ready graduates.

What we have done is to introduce students to the accounting equation which uses a top down approach to focus on outputs, and then add confusion to the learning process by requiring them to acquire competence in the technical double entry debit/credit scorekeeping process which focuses on inputs in the introductory level accounting courses. In so doing we have confused structure (the accounting equation approach) with process (the debit/credit bookkeeping approach). We are guilty of further perpetuating this approach whenever we make this a pre-requisite skill for any subsequent level accounting course.

The problem is further compounded with our efforts to create real world relevance in academic accounting courses by integrating computer use into the curriculum through inclusion of commercial accounting software (which requires competency in the debit and credit bookkeeping process).
Feedback from students to this approach would suggest that we have created an illusion in the minds of some of them, that competence in this process which is central to the teaching of accounting, implies competence in accounting.

It is therefore argued that if we are to change the perception of accounting to our students we must uncouple the bookkeeping process from the introductory and financial accounting courses at all levels in the curriculum and use software which does not require competency in the bookkeeping process. In so doing we will be removing a prop which acts as a distractor for educators and students alike.

Anecdotal evidence to support this view is provided by the performance of two groups of students at the Waikato Institute of Technology. The first group is composed of those students taking 300 level courses as part of the Graduate Diploma in Accountancy. Due to the fast-track nature of this programme these students spend considerably less time on the debit/credit double entry model and yet continue to excel in the higher-level courses. The second group is accounting-major students enrolling in the third year Accounting Information Systems course which does not have the same level of regulation and prescription as earlier courses in Accounting. These students show a lack of confidence and a level of insecurity with the scope and demands of the course that suggests that by the time these students reach their third year of study we have straight-jacketed them into a discipline which is a prescriptive and regulated technical process. These students are totally unprepared for a course which seeks to develop problem-solving skills within a more flexible framework. Another significant feature, was the interest in this course by
students completing the marketing major in the degree. These students participated more fully in class discussion, demonstrated greater confidence when problem solving in unstructured situations and outperformed the accounting students in the formal assessments.

**A Proposed Solution**

Albrecht & Sack (2000) conclude that misinformation and an inappropriate perception of accounting begins for some students in high school. Hence we cannot just focus our attention on tertiary level courses in accounting. The review of our curriculum must cover both secondary and tertiary level courses.

It is therefore proposed that we replace courses (which focus on report preparation) with an outcomes based approach which emphasises the structure of the reports and the impact of accounting decisions on these reports. To implement such a strategy we need to remove the teaching of bookkeeping from both the secondary and tertiary level introductory accounting courses and the tertiary higher level financial accounting courses.

This is not to say that there is no place for this element within the accounting curriculum but rather that it is misplaced. Instead it is proposed to reposition this topic to an Accounting Information Systems course where the design of a structure and processes for handling large volumes of transactions to produce accounting information is an important component of that curriculum.
Such a move would be facilitated by making greater use of computer spreadsheets or commercial accounting software that focuses on the development of financial models rather than on the processing of transactions through the model. A consequence of this approach would be the need to eliminate the use of such commercial accounting software that requires a pre-requisite knowledge of bookkeeping from the curriculum, as this only seeks to reinforce the process rather than the model. Again I would argue that the use and evaluation of such software is better placed in an Accounting Information Systems course. If, in fact there is no commercial accounting software available that emphasises the model rather than the process, then perhaps this is where our curriculum development effort should be focused. Is this any different to the use of simulators in flight training?

It is proposed to remove the bookkeeping knowledge not just from the introductory accounting course but also from higher level financial and management accounting courses. It will be necessary to identify where this pre-requisite knowledge is currently included, and develop alternative teaching and learning strategies which do not rely on this material.

The Challenges

Such a proposal is unlikely to gain immediate, universal endorsement from students, educators and employers. On the one hand there are some employers, professional bodies and students demanding an education which makes them work-ready while there
are others who are demanding a more conceptual and broad-based education. This, combined with the resistance of educators to change their existing teaching strategies (Sundem 1999b), strongly suggests (May et al 1995) that any change will not occur rapidly.

This conclusion is supported by the New Zealand experience with the introduction of the NZ Diploma (formerly National Certificate) in Business in 1987. The change at that time was to replace one forty-credit course with two twenty-credit courses. Historically, the debit and credit bookkeeping process had been taught at the commencement of the course and applied throughout. The proposed change was to create a course on accounting principles followed by one on accounting practices, the result of which was to defer the teaching of debit and credit bookkeeping until the second course while emphasizing the accounting equation and report structure in the first course.

The response of educators to changes in this introductory accounting curriculum was extremely cautious. After much debate, consensus was finally gained to implement the proposed new curriculum. The educators could not however obtain consensus on which course should be the first one to be taught. One of the reasons given by the educators for this was the lack of teaching resources and textbooks to support the teaching of accounting principles without a knowledge of accounting practice. Consequently it was left to individual institutions to determine the sequence of the courses. Fifteen years later, aided by the development of teaching resources, publication of three specially written textbooks and by making exceptions for individual students, there seems now to
be general acceptance by teaching staff that principles should precede practices. In 2002 there are now few polytechnics that allow students to study Accounting Practices without first obtaining a pass in Accounting Principles. It should also be noted that there has been no push by the employers or students for a return to the former teaching strategy.

If this is the case for a technician-based qualification, then how can we argue to the contrary for a more conceptually based degree programme?

Conclusions

While acknowledging the suggested change will not occur rapidly, I would argue that it is necessary and that the greatest obstacle will be in gaining consensus from educators. Consistent with the AECC approach to change (Sundem, 1999b), it will be necessary to, produce further empirical evidence on student perceptions of the discipline, confirm that Australasian findings and consistent with those from the USA, develop suitable teaching resources for high school and tertiary level courses to support such a strategy, trial the change, and report on the trial outcomes prior to putting the case for general adoption of the proposed change.
References


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