

# The Bedford Report

## Future Accounting Education: Preparing For The Expanding Profession

### Part III: The Future Scope, Content, and Structure of Accounting Education

#### Faculty, Administrative, and Professional Concerns

While the above recommendations address the most comprehensive concerns of this Committee for the future scope, content, and structure of accounting education, several other issues require particular treatment.

The Teaching Process. Accounting faculties should adopt new and more relevant educational methods to improve student learning. Faculties must determine the learning needs of students, identify objectives students should achieve in each course and program, develop effective learning experiences for achieving them, adapt teaching methods to student capabilities, and establish learning assessments that evaluate the skills and understanding acquired by students in courses and programs. To develop the student's capacity for life-long learning, faculties should require students to use research methods for classroom reports and use participatory teaching methods to promote active modes of learning.

Particular techniques that should be included as part of the accounting faculty member's kit of teaching tools include: lecture and demonstration; case analysis and discussion; role playing in decision situations; group research projects; work experience as a program requirement; peer evaluation based on written and oral reports; textbooks that are relevant to student needs and course objectives; argumentation; effective use of teaching equipment; investigative research projects to encourage self-learning; sensitivity teaching through discussion of ethical cases; classroom discussions with practicing professional accountants; and computer-assisted instruction.

Accounting faculties should continue efforts to improve teaching effectiveness by developing evaluation methods for measuring the ability of students to think communicate, solve quantitative and qualitative problems, innovate, and use technical tools for the generation and use of economic information. Faculties also need to devote considerable time advising accounting students individually.

In addition, accounting faculties should relate subject matter to the three areas of personal capacity development, the basic disciplines, and technical accounting knowledge. Each case, issue, student presentation, or other particular teaching or learning technique needs to be linked together to establish relationships across the curriculum. The more interdisciplinary applications that are included in the classroom, the greater the likelihood that students will be able to place accounting in a broad perspective. Overall, faculties need to present material so that successive learning experiences provide progressively deeper self-learning and understanding of the relationship among basic university disciplines, accounting, and the social, political, and economic environment.

Toward these ends, this Committee makes the following recommendations regarding the teaching process in accounting education:

11. Faculties should design educational experiences for students that require them to be active, independent learners and problem solvers rather than passive recipients of information.
12. University accounting education should design learning technologies and assign faculty

responsibilities to increase contacts between students and faculties on intellectual issues, emphasizing the personal development of students.

13. Accounting materials, such as textbooks, should be developed that will serve the future structure, content, and scope of accounting education.

Faculty Responsibilities. The areas of student learning, research, and professional service should serve as guidelines for faculty selection and promotion and for making resource allocations to accounting education. Coordination of these areas should identify the relative levels of responsibilities expected from each faculty member.

The public accepts professions partly because of their commitment to search for knowledge that is useful to those they serve. Every teacher of accounting must accept a responsibility to participate in this search for useful knowledge and to integrate the new knowledge into the learning objectives of the accounting education program. Nevertheless, in most universities the primary responsibility of accounting academics is teaching future professionals. They must transmit to the future generation of accountants both the relevant accumulated professional knowledge and newly developed knowledge.

Unlike faculty members in many other areas of the university, accounting faculty have both opportunities and responsibilities to serve the profession and the public through involvement in various professional activities. Promotion and tenure systems should recognize these activities as enriching classroom teaching and contributing to research efforts. As a coordinated set of objectives, teaching, research, and professional service should be interrelated to the advancement and improvement of accounting education in general.

The Committee makes the following recommendations regarding the responsibilities of accounting faculties:

14. Each university's accounting program should place appropriate priorities on faculty endeavors ranking student learning, research, and professional service in a manner that is consistent with the university's goals and with the requirements of a changing profession.
15. Accounting education should support the academic function of the search for knowledge useful to the accounting profession. Both basic and applied research by accounting academics should be supported.

Administration. The administration of accounting education programs varies from university to university. Overall, much of the accounting education structure in 1985 operates outside the traditional structure of university professional education. It operates within a structure originally designed for arts and sciences, where programs produce large numbers of four-year graduates liberally educated without professional education programs.

Accounting education was initially assigned to colleges of business for administrative purposes. Under that structure, accounting education over the past several years has competed with other business school disciplines for funds. Within the four-year constraint, some business schools have also reduced the liberal arts content of accounting education to make room for professional courses.

Given these parameters, the following administrative recommendations will permit increased student learning in accounting programs at all universities:

16. Encourage establishment of high standards for admission to accounting programs, which might include independent criteria.
17. Assign more resources (e.g., senior faculty and small class sizes) to introductory and intermediate accounting instruction; define and expand the role of full-time faculty in the educational structure to assure more involvement in student learning; and offer systematic guidance and advising of students from matriculation through graduation.
18. Provide resources for complementary programs and activities that motivate students and extend their learning experience.

19. Implement educational peer reviews of accounting programs by non-accounting faculty, accounting faculty from other institutions, and practitioners.
20. Encourage greater interaction among faculty members in accounting and in the liberal arts.

Accreditation. To assure that quality standards of accounting education are maintained, many accounting educators believe that systematic, independent accreditation of programs is desirable. The future content, scope, and structure of accounting education suggests that ultimately only graduate accounting programs will be subject to accreditation.

Graduate programs may exhibit diversity in level, content, and means of knowledge delivery and in faculty qualifications, control, size, and resource requirements. Accrediting bodies should recognize that these differences represent competitive and evolving strategies used by universities to educate professional accountants.

The Committee recommends the following university actions to support the accreditation process in improving accounting education programs:

21. Encourage the development of accounting programs through graduate study.
22. Emphasize accounting faculties' use of and reliance on supportive educational resources in the arts, sciences, and humanities.
23. Allow decentralization, giving accounting faculties more autonomy, for example, with regard to student admission and retention standards above university requirements, so accounting programs may adapt rapidly to the evolving needs of professional education.
24. Minimize the amount of procedural accounting in courses or areas required for accreditation.

Professional Examinations. Professional examinations have a strong influence on the content of accounting education. Many textbook writers and professors not only rely regularly on past professional examinations in their work, but they seek to help students master the expected examination content. The feedback loop thus established may retard both teaching and the examination from reflecting recent trends in the changing common body of knowledge utilized by accountants. This is especially important since the body of knowledge covered by professional examinations represents only a small part of the knowledge used by the accounting profession as a whole and to which students should be exposed.

The Committee makes the following recommendation concerning professional examinations:

25. In preparing students for the future, accounting faculty should rely on accounting practice and research and on multidisciplinary research in establishing curriculum content rather than merely preparing students to qualify for current practice.

Economic Dimensions of Accounting Education. Reliable information does not exist to support educational policy decisions regarding the nature and amount of professional education universities should provide society. The costs of providing too little education are the costs of lower quality professional services, while the costs of providing too much are the values forgone by not allocating resources to a better use. While the decision is a national issue, it affects a particular university if it is forced to change its structure or its resource allotments. If the costs and benefits to society of different types of professional education were known, such information would promote cost-effective use of resources, nationally and at each university. The development of such information would be exceedingly complex.

The Committee knows of no students which predict either cost increments and decrements as a function of the structure of accounting education, or the incidence of such costs on the various elements of that structure. In the absence of such studies, employers, educational institutions, and other organizations risk using unsupported cost and benefit assumptions to support accounting education decisions.

The Committee recommends that the following steps be taken to remedy this deficiency in knowledge of the economic dimensions of accounting education:

26. Individual institutions and organizations hiring at the entry level should increase their understanding of the economics of accounting education and of the costs and benefits of incremental changes in their policies regarding both undergraduate and graduate programs.
27. Institutions should consider reward structures which build a diverse and vital research oriented faculty, while respecting academic traditions of freedom and tenure.
28. Research funds should be provided for projects with a reasonable likelihood of explaining the economics of accounting education.