

Position and Issues Statements of the Accounting Education Change Commission

Issues Statement Number 4 Improving the Early Employment Experience of Accountants

April, 1993

THE CURRENT EXPERIENCE

ECONOMIC CONSTRAINTS

RECOMMENDATIONS

CONCLUSION

APPENDIX—EXAMPLE OF HOW THE PARTIES CAN AFFECT THE RECOMMENDATIONS

Faculty

Students

Career Planning and Placement Professionals

Recruiters

Supervisors of Early Work Experience

Workplace Educators of First- Through Third- Year Employees

Employer Management

This Statement is issued by the Accounting Education Change Commission (AECC). The AECC was appointed in 1989 by the American Accounting Association and supported by the Sponsors' Education Task Force, representing the largest public accounting firms in the United States. Its objective is to be a catalyst for improving the academic preparation of accountants so that entrants to the accounting profession possess the skills, knowledge, and attitudes required for success in accounting career paths. The Commission encourages reproduction and distribution of its statements.

The purpose of improving the academic preparation of accountants is to serve jointly the interests of accounting graduates, their employers, and those who rely on their work. This purpose is undone whenever the early employment experience discourages dedication to accounting as a career, dampens enthusiasm for life-long professional learning, or leads to performance beneath one's abilities. On the other hand, the same purpose is furthered by an experience that nourishes dedication, sparks enthusiasm, and improves abilities. Thus the early employment experience affects the productivity of educational assets acquired at colleges and universities. This is true of all career paths in accounting practice, whether in public accounting, in corporations, or in government and other nonprofit entities.

This Statement is directed to all the parties whose activities directly affect the early employment experience. Each can do a part to alleviate problems and improve results.

THE CURRENT EXPERIENCE

Recent studies indicate that many accounting graduates find that their early employment experience falls short of the expectations they had brought to the business world. Many find that their expectations butt head-on into unanticipated overtime, deadlines, budgets, diminished family time, job stress, and less-than-desired financial rewards. Although evidence shows that many young accountants appreciate the diversity of their job assignments, opportunities to develop business skills, technical challenges, and collegial experiences, unmet expectations nevertheless reduce the

attractiveness of careers in the profession and of majors in accounting.

ECONOMIC CONSTRAINTS

The profession's economic environment constrains the options available to improve the early employment experience. Yet new hires, educated with the increased breadth this Commission believes necessary to prepare them for practice, will demand more of the early employment experience than have past graduates. Thus, despite economic constraints, the early employment experience must be addressed or it will get worse. The Commission believes it can be addressed through the practicable recommendations set out below.

RECOMMENDATIONS

Recommendations to improve the early employment experience cannot succeed unless they are in the interest of the parties who must take recommended actions. Fortunately, the parties who affect the early employment experience have an interest in improving it. This is most obvious in the case of students, but no less so in the case of employers. Satisfied personnel are more productive, and disgruntled personnel undermine the teamwork needed to perform today's accounting. Faculty are already engaged in helping students prepare for success in accounting careers. Measures that can help graduates prosper in the work environments they enter should therefore engage professors' interests and are consistent with the purposes of the curricular reform activity they are pursuing with the encouragement of this Commission.

The recommendations address students' preparation for the early employment experience, recruiting, and the early years of employment. An appendix provides examples of how each recommendation might be effected.

Faculty members should—

- Acquire and maintain a high level of knowledge about both practice issues and the nonacademic accountant's workplace.
- Seek out opportunities to interact with practicing accountants.
- Communicate knowledge about the conditions of practice to students.

Students should—

- Seek opportunities to obtain first-hand knowledge of the business world and practice environment.
- Obtain information about career opportunities and the job search.

Career planning and placement professionals should—

- Organize career education programs.
- Counsel students on career issues.

Recruiters should—

- Acquire and maintain high levels of knowledge about educational and early employment issues.
- Communicate accurately and fully about the early employment experience.

Supervisors of early work experience should—

- Provide strong leadership and mentoring for staff members.
- Build working conditions that are conducive to success.

- Provide challenging and stimulating work assignments.

Workplace educators of first- through third-year employees should—

- Select and design educational experiences based on knowledge of employees' needs.
- Reinforce important skills.

Employer management should—

- Acquire and maintain knowledge of the early employment experience.
- Promote working conditions that junior employees find attractive, nurturing, and stimulating.
- Help fulfill the other recommendations in this Statement.

CONCLUSION

The recommendations above make clear that all parties to the early employment experience can contribute to improving it. The Commission therefore urges all such parties to act on the recommendations addressed to them and to consider the advantages in taking such steps.

APPENDIX

EXAMPLES OF HOW THE PARTIES CAN AFFECT THE RECOMMENDATIONS

Faculty

Faculty members should acquire and maintain a high level of knowledge about practice issues and the nonacademic accountant's workplace.

- Read journals that cover changes in the practice environment.
- Participate in faculty internships (compensated employment as a professional accountant) that provide experience in current business and professional issues and decision making.
- Request information from employers about the work environment.
- Attend recruiting events on campus and discuss issues with employer's representatives.

Faculty members should seek out opportunities to interact with practicing accountants.

- Become active in professional organizations that serve practitioners (for example, the American Institute of Certified Public Accountants, state CPA societies, the Institute of Management Accountants, the Financial Executives Institute, the Institute of Internal Auditors, and the Federal Government Accountants' Association).
- Instruct continuing professional education seminars and/or executive education sessions for employers.
- Invite practicing accountants and executives to participate in classes (including interactive discussions of practice issues).
- Attend employer-sponsored educational events to become knowledgeable about current issues.
- Visit employer organizations to become better acquainted with business issues and the work environment.
- Engage in cooperative research projects with practitioners on professional accounting issues.

Faculty members should communicate knowledge about the conditions of practice to students.

- Develop case materials for classroom use that convey a realistic picture of the practice environment.
- Incorporate information on the practice environment in other curricular materials. Familiarize students with the typical responsibilities of the new employees and the need to be able to perform well when responsible for a part, rather than the whole, of a large project or engagement.
- Employ practicing accountants as adjunct professors to teach courses or parts of courses (this would provide opportunities for faculty and practitioners to interact).
- Consider the role of student internships and cooperative work/study programs in accounting programs.
- Counsel students on the types of career opportunities in accounting and the kinds of information they should be obtaining at recruiting interviews.
- Because students generally will not have the opportunity to read this Statement, provide them with the recommendations for students below.

Students

Students should seek opportunities to obtain first-hand knowledge of the business world and practice environment.

- Seek internships, cooperative work/study arrangements, and summer employment opportunities that are broadly relevant to your likely career [choice](#)¹. Students considering an accounting career should seek general business and organizational experience, not just accounting experience, because a key role of accounting is to support managerial decision making.
- Seek campus opportunities to build communication and business skills—for example, serve as an officer of a campus organization.

Students should obtain information about career opportunities and the job search.

- Become informed about career opportunities and the working conditions they provide. Since all professions have some entry-level experiences that are the counterpart of apprenticeship, compare conditions within professions in order to provide perspective.
- Perform a critical assessment of the relationship between your aptitudes, interests, skills, and knowledge and those required by various career opportunities.
- Student accounting organizations (for example, Beta Alpha Psi) should identify information that students should seek at recruiting interviews.

Career Planning and Placement Professionals

Career planning and placement professionals should organize career education programs.

- Expose students to the full range of accounting career options.
- Help establish internships and other short-term volunteer opportunities.

Career planning and placement professionals should advise and counsel students on career issues.

- Help students integrate their knowledge of accounting careers and their knowledge of themselves.

- Advise student accounting organization officers on appropriate speakers.
- Obtain industry information on working conditions and benefits (e.g., average compensation) and provide it to students.

Recruiters

Recruiters should acquire and maintain high levels of knowledge about educational and early employment issues.

- Keep abreast of curriculum and faculty changes at institutions that are recruiting sites and assess the degree to which these institutions are preparing students for your organization's work environment.
- Speak to recent hires in your organization before beginning the recruiting process to sensitize yourself to recent hires' concerns about working conditions and their careers.
- Know your organization's official position on educational and recruiting issues so that you avoid confusing students (and faculty) with inconsistent messages—for example, about the types of graduates sought.
- Know the social and economic value of the work for which you are recruiting (for example, the audit's role in capital formation and capital cost reduction) so that you will not communicate confusion or doubt on this subject to those entering the profession.

Recruiters should communicate accurately and fully about the early employment experience.

- In communicating to the placement office, faculty, and potential hires, be realistic about the job opportunities and work environment at your organization and the characteristics sought in new hires.
- Be aware that the attitudes you convey in the recruiting process can affect graduates' early employment experiences.
- Never withhold information necessary to a reasonable appreciation of facts presented.
- Arrange when feasible to have interchanges between potential recruits and younger members of your organization in circumstances permitting candor.

Supervisors of Early Work Experience

Supervisors should provide strong leadership and mentoring.

- Give frequent, honest, open and interactive feedback to recent hires under your supervision.
- Listen to new or recent hires for indirect messages about their employment experience; when dissatisfaction is expressed, inquire directly about its nature and causes.
- Work to improve counseling and mentoring—for example, by always acknowledging good performance, by treating employees under your supervision as individuals with careers (not just short-term tasks), by helping employees to understand their future opportunities, and by inquiring about their concerns and plans.
- Be a role model of a professional, conveying pride in your work and its importance to clients/customers and society.

Supervisors should build working conditions that are conducive to success.

- Inculcate a do-it-right-the-first-time mentality and create the conditions to help make it possible. For example, explain assignments thoroughly, allocate sufficient time to do high

quality work, be open about any necessary constraints (including budgetary constraints), explain how assignments fit in with the "big picture," and supervise work to completion.

- Analyze your own experience as a new or recent hire and treat new or recent hires as you would have liked to be treated.
- Maintain a "level playing field" for your subordinates, fairly distributing the opportunities and burdens.
- Minimize job-related stress (realizing that recent hires are especially subject to stress and that you may be the source of it!).

Supervisors should provide challenging and stimulating work assignments.

- Delegate responsibility to recent recruits as soon as they are ready to assume it.
- Maximize your subordinates' opportunities to use verbal skills (both oral and written), critical thinking, and analytic techniques and help subordinates improve those skills.

Workplace Educators of First- Through Third-Year Employees

Workplace educators should select and design educational experience based on knowledge of employees' needs.

- Understand the demographics of those you are responsible to educate, including their prior education, experience, strengths, and deficiencies, and apply the knowledge in designing the curriculum.
- Identify gaps between new hires' expectations and the experience offered by the organization and design the curriculum to help close them.
- Work to ensure that employees are assigned to courses they need when they need them, including training-on-demand to the extent it is feasible.
- Understand the employees' evolving job requirements and the organization's changing business needs, and adapt the curriculum in response.

Early employment education should reinforce important skills.

- Design the curriculum to reinforce communication, interpersonal, and intellectual skills.
- Provide all employees who direct the work of others, not just those at the management level, with skills in personnel management.

Employer Management

Management should acquire and maintain knowledge of the early employment experience.

- Apply techniques to assess the early-employment experiences of professionals in your organization (for example, use alumni surveys, morale surveys, employee focus groups, staff committees, and upward evaluation of superiors) and correct identified problems.

Management should promote working conditions that junior employees find attractive, nurturing, and stimulating.

- Match job content and skills, delegating work to the extent possible and assigning nonprofessional work to nonprofessionals.
- Consistently recognize outstanding performance.
- Implement programs that enhance mentoring opportunities (for example, big brother/sister

programs).

- Install skill-based promotion and compensation systems (and avoid lockstep or time-in-grade systems).

Management should help fulfill the other recommendations in this Statement.

- Take responsibility for having your recruiters, supervisory personnel, and workplace educators follow the recommendations above.
- Create meaningful opportunities for interaction with faculty (e.g., internships).
- Create meaningful internship and/or work/study arrangements for interested students.
- Provide educational institutions with adequate information about your recruiting needs and the nature of your business and ensure that your own recruiters have such information.
- Communicate pride in the profession and the importance of its work.

The AECC acknowledges the contributions to the Statement of the following task force members who are not Commission members: James W. Deitrick, Brian J. Jemelian, and Jean C. Wyer.

Other Statements issued by the Accounting Education Change Commission:

Issues Statement No. 1: *AECC Urges Priority for Teaching in Higher Education* (August 1990).

Position Statement No. One: *Objectives of Education for Accountants* (September 1990).

Issues Statement No. 2: *AECC Urges Decoupling of Academic Studies and Professional Accounting Examination Preparation* (July 1991).

Position Statement No. Two: *The First Course in Accounting* (June 1992).

Issues Statement No. 3: *The Importance of Two-Year Colleges for Accounting Education* (August 1992).

Issues Statement No. 5: *Evaluating and Rewarding Effective Teaching* (April 1993).

COMMISSION MEMBERS 1992–93

Doyle Z. Williams, Chairman
KPMG Peat Marwick
Professor of Accounting
University of Southern California

William G. Shenkir, Vice Chairman
William Stamps Farish
Professor of Free Enterprise
McIntire School of Commerce
University of Virginia

Sarah G. Blake
President & CEO
Technology Management and Development,
Inc.

John F. Chironna
President & CEO
BroadCom, Inc.

Robert K. Elliott
Assistant to the Chairman
KPMG Peat Marwick

Penny A. Flugger
Senior Vice President and Auditor
J.P. Morgan & Co., Incorporated

Donald E. Kieso
KPMG Peat Marwick
Professor of Accountancy
Northern Illinois University

David L. Landsittel
Managing Director - Auditing Procedures
Arthur Andersen & Co.

Paul L. Locatelli, S.J.
President
Santa Clara University

Gerald G. Mueller
Senior Associate Dean and Professor of
Accounting
University of Washington

Melvin C. O'Connor
Professor of Accounting
Michigan State University

Katherine Schipper
Professor of Accounting
University of Chicago

Joan S. Stark
Professor of Higher Education
University of Michigan

A. Marvin Strait
Chairman of the Board
Strait Kushinsky & Co., P.C.

G. Peter Wilson
Associate Professor of Business Administration
Harvard University

Robert E. Witt
Dean
College of Business Administration and
Graduate School of Business
University of Texas at Austin

EX OFFICIO:

Rick Elam
Vice President - Education
American Institute of CPAs

Robert W. Ingram
AAA Director of Education
Ernst & Young Professor of Accounting
University of Alabama

¹The opportunities cited here include unpaid positions that instill relevant business or organizational knowledge.