

SELECTED CHARACTERISTICS OF NEW YORK STATE REGISTERED ACCOUNTING PROGRAMS

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Abstract

This paper presents a descriptive study of selected characteristics of accounting programs registered with the New York State Board for Public Accountancy. Particular characteristics analyzed include 1) faculty qualifications and reward structures, 2) grade point average entrance and maintenance requirements, and 3) the existence of honors programs in accounting. Findings indicate faculty qualifications varied by program size, though faculty reward structures did not. Teaching was found to be given the greatest importance by all schools. Most schools do not require minimum GPA levels for admission to accounting programs, but do have a GPA maintenance requirement. Few respondents indicated the existence of an accounting honors program.

Introduction

This paper presents a descriptive study of selected characteristics of accounting programs registered with the New York State Board for Public Accountancy. These programs were chosen as the basis for analysis because they serve as the primary qualification for accounting students and graduates to gain entrance to the Uniform CPA examination. Further, New York offers a relatively large, programmatically-consistent sample, which is also highly structured.¹ These programs thus offer an opportunity to evaluate institutional choice with respect to various requirements while excluding specific program course work requirements. The particular characteristics which we analyze in this paper are 1) faculty qualifications and reward structures, 2) grade point average entrance and maintenance requirements, and 3) the existence of honors programs in accounting.

This paper is organized as follows. We next present a brief literature review, followed by data, methodology and results. A brief summary and conclusions are then provided.

Literature Review

Faculty perceptions of workload and reward structures are the subjects of a number of recently published papers. Schultz, Meade and Khurana (1989), for example, found evidence of an increasing emphasis on research productivity and a corresponding decreased emphasis on teaching during the 1970's and 1980's. They asserted that this trend would most likely continue into the mid-1990's. They further suggested that the rate of promotion and tenure would likely decline. Over the same time period, the weight awarded to service remained consistent.

Williams (1994) has conducted an extensive survey of accounting programs for the American Institute of Certified Public Accountants every five years since 1967-1968. In relation to faculty qualifications, he found that, over a 25-year period ending in 1993, the percentage of faculty earning doctorates had almost doubled. He further found that doctorally-qualified faculty were more prevalent at AACSB-accredited schools, while the master's degree tended to be

treated as a terminal qualification at non-AACSB-accredited schools. This finding is consistent with his statement that:

“In general, accreditation standards require that at least 50 percent of the faculty FTEs required for undergraduate instruction hold doctorates. In addition, at least 40 percent of the FTEs required should hold professional certificates.” (At 21.)

Williams further found that professional certification, particularly the CPA designation, had “increased substantially” over the 25-year period, with 84% of full-time faculty members holding that licensure.

Newell, Langsam and Kreuze (1996) surveyed graduates of 1970's, 1980's, and 1990's doctoral programs. They found that 86% of respondents reported moderate or much stress in their current positions and believed that fewer opportunities now existed in higher education than when they obtained their doctorates. They also found that more recent graduates were more likely to have an undergraduate degree in some area other than business, be older when they obtained their doctorate than earlier graduates, experienced longer degree completion periods, were less likely to hold a professional certificate, perceived greater stress levels, and placed a greater emphasis on publishing and research. An important and well-recognized finding was that doctoral preparation was much more focused on training researchers rather than teachers; only 19% of respondents believed that their quantitative research skills were less than satisfactory, compared with 44% who rated their knowledge of teaching/educational theory as such. (At 92.) This is inconsistent with the faculty workload of many, which is more heavily weighted toward teaching. (See Tables 2 through 6 and discussion under “Data, Methodology, and Results” below for further details.)

Stevens and Stevens (1992) studied accounting doctoral dissertations and found that accounting faculty are not well-trained in educational methodology. They examined 2,877 accounting doctorates earned between 1972 and 1989. Only 68 of them (2%) were related to educational topics, and more than two-thirds of those (46) were written prior to 1981. They also found that few accounting doctoral programs provide in-depth training on effective teaching methods.

Gaffney and Schwartz (1988) surveyed AACSB-accredited schools to determine the existence of accounting honors programs. They reported that only 11 schools indicated that an honors program existed specifically for accounting majors. Six of those schools indicated a “full” program; that is, a program which requires that a majority of the accounting courses taken must be for honors.

Data, Methodology and Results

We contacted the 77 registered undergraduate accounting programs in New York State, from which we received 22 usable responses (28.6%). As noted, New York offers a large, highly-structured, programmatically-consistent sample. We asked the administrative head of the accounting area or department of each of these institutions, to respond to our survey. Our purpose was to ascertain: 1) faculty qualifications and reward systems, and 2) general programmatic standards, particularly grade point average standards (GPA), pre-requisite course requirements, and the existence of honors programs in accounting. The rest of this section follows that order.

Table 1 below presents the findings with respect to faculty qualifications, classified as

Ph.D., J.D., Master's degree, and "other."

[Insert Table 1 here]

The results show a nearly equal distribution between doctorally-qualified faculty and those without doctoral qualifications. Surprisingly, this distribution remains very consistent at both large and small schools. (For purposes of this paper, we have defined "large schools" to be those with an enrollment greater than or equal to 150 full-time undergraduate accounting majors, and "small schools" to be those with enrollment below 150.) Faculty holding the CPA designation included 45 of the 56 holding Master's degrees (80%), 34 of the 51 holding the Ph.D. (67%), and nine of the 11 holding the J.D. (82%). The high percentage of faculty with professional certification is consistent with the previously-reported findings of Williams (1994).

Next, the findings about reward systems are presented. Participants were asked to allocate relative percentages to teaching, scholarship and service. Service was further sub-divided into institutional service, service to the accounting profession, and service to the community. Table 2 reports the results on teaching.

[Insert Table 2 here]

Overall, the majority of respondents allocate about half of faculty time to teaching. This shows a strong emphasis toward teaching, even for large schools. As expected, small schools emphasized teaching slightly more, but to a lesser degree than might be expected. (The two schools reporting zero percentage stated that there were no preset percentages or that faculty were permitted to choose their own percentages.) These results are interesting when compared with the findings of Newell, Langsam and Kreuze (1996) and Stevens and Stevens (1992), both noted earlier, which indicate that doctorally-trained faculty are not generally training as teachers.

With respect to scholarship, our results indicate that a great number of large schools allocated a greater percentage to scholarship.

[Insert Table 3 here]

Most schools allocate approximately one-quarter to one-third of faculty time to scholarship; 18 of 22 respondents allocated less than 40% of faculty time to it. Contrary to the belief of many, small schools did allocate some time to scholarship, indicating that they too regard this area as important.

Lastly in the area of reward system, results on the allocation of time to service is presented.

[Insert Tables 4,5,6 here]

The results reveal that service is not given the importance attributed to the other areas. While most schools allocated 5-10 percent to institutional service, a large number of those schools allocated no time to the accounting profession or the community. The results tend to be about the same between large and small schools. Where schools allocated time across all service areas, the allocation tends to be equal. It appears that, when schools allocate time to the accounting profession and community, large schools tend to slightly favor service to the accounting profession.

We next examine the results regarding programmatic standards. Table 7 shows pre-admission GPA standards.

[Insert Table 7 here]

The results show that most schools do not require a minimum level of GPA for admission to the

accounting program. This is somewhat surprising, given the relatively consistent high demand for accounting programs and the relatively low percentage of doctorally-qualified faculty. GPA admissions requirements would appear to be a natural way of achieving equilibrium. The few programs that do impose minimums tend to be large schools.

Table 8 shows post-admission GPA standards.

[Insert Table 8 here]

Results indicate that a majority of schools maintained a post-admission standard of 2.00 while seven schools indicated that no minimum was required. The minimum requirement indicated by a majority of schools appears to coincide with general institutional requirements for minimum GPA, rather than acting as a separate standard for accounting programs. Little difference was found between large and small schools. The results appear to indicate that large school post-admission standards are lower in relation to their pre-admission standards.

Two additional questions were asked regarding programmatic standards. The first asked whether accounting majors were allowed to complete any course requirements below a grade of "C." Results indicate that schools split evenly on this issue, with eleven indicating "no" and eleven indicating "yes." The percentages were the same regardless of school size.

The second question asked whether there was an honors program in accounting. Nineteen of twenty-one schools responding to this question indicated that no honors program existed. Two large schools indicated that their programs contain an honors program in accounting. This result is consistent with the findings of Gaffney and Schwartz (1988).

Summary and Conclusions

This paper surveyed accounting program administrators regarding faculty qualification, faculty reward systems, and general programmatic standards. Findings indicate that large schools had more faculty with doctorate degrees, whereas small schools were found to contain about the same number as faculty with doctorates as with master's degrees. Since "large" and "small" were defined by enrollment in the accounting major rather than any degree of selectivity or ranking, there remain questions as to which institutions require which qualifications, and the related reasons for these choices. A large percentage of the faculty held professional certification.

Teaching was found to be given the greatest importance by all schools. While scholarship was allocated somewhat lower percentages with large schools placing more emphasis than small schools, most small schools did allocate some time to this area. Service was allocated the least amount of time indicating lesser importance. Most schools placed more importance on institutional service than on service either to the accounting profession or to the community.

Most schools do not require minimum GPA levels for admission to accounting programs. Post-admission standards generally tend to be at minimum institutional levels. Results also indicate that large school post-admission standards are lower than standards for admission.

Schools were split evenly on whether students are allowed to complete any course requirements below the grade of C. Lastly, only two schools out of twenty-one responding indicated the existence of an honors program in accounting.

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End Notes

**TABLES FOR
SELECTED CHARACTERISTICS OF NEW YORK STATE
REGISTERED ACCOUNTING PROGRAMS**

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Table 1- Faculty Qualifications

Degree	Number-Overall	Number - Large Schools	Number - Small Schools
Ph.D.	51	37	14
J.D.	11	7	4
Masters	56	39	17
Other	7	6	1

Table 2 - Reward System: Teaching

Allocation Percentage	All Schools	Large Schools (n = 10)	Small Schools (n = 12)
0	2	0	2
5 - 10	1	1	0
11-20	0	0	0
21-39	2	2	0
40--60	12	5	7
61-80	4	1	2

81-90	1	1	1
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Table 3 - Reward System: Scholarship

Allocation Percentage	All Schools	Large Schools (n = 10)	Small Schools (n = 12)
0	4	0	4
5 - 10	3	2	1
11 - 20	3	1	2
21 - 39	8	3	5
40 - 60	1	3	0
61 - 80	1	1	0
81 - 90	0	0	0

Table 4 - Reward System: Service to the Institution

Allocation Percentage	All Schools	Large Schools (n = 10)	Small Schools (n = 12)
0	2	0	2
5 - 10	15	7	8
11 - 21	4	3	2
21 - 30	1	0	0
Over 30	0	0	0

Table 5 - Reward System: Service to Accounting Profession

Allocation Percentage	All Schools	Large Schools (n = 10)	Small Schools (n = 12)
0	12	4	8
5 - 10	9	5	4
11 - 20	1	1	0
21 - 30	0	0	0
Over 30	0	0	0

Table 6 - Reward System: Service to the Community

Allocation Percentage	All Schools	Large Schools (n = 10)	Small Schools (n = 12)
0	12	6	6
5 - 10	9	3	4
11 - 20	1	1	0
21 - 30	0	0	0
Over 30	0	0	0

Table 7 - Pre-Admission Minimum GPA

GPA Level	All Schools	Large Schools (n=10)	Small Schools (n=12)
None	15	5	10
2.00	3	1	2
2.25	0	0	0
2.50	3	3	0
2.80	1	1	0
3.00	0	0	0

Table 8 - Post-Admission Minimum GPA

GPA Level	All Schools	Large Schools (n=10)	Small Schools (n=12)
None	7	4	3
2.00	13	5	8
2.25	1	0	1
2.50	1	1	0
2.80	0	0	0
3.00	0	0	0

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1. New York's requirements for registered undergraduate accounting programs will be changing effective August 1, 2004. The last major change to the requirements occurred prior to 1983. Thus, for approximately 15 years, New York has had consistency in its accounting program requirements. The State's requirements for accounting graduates include 60 credit hours in specifically-designated course work, including accounting,

finance, economics, statistics, business law, and business electives.