ACCOUNTING EDUCATION NEWS

http://AAA-edu.org Co-Editors: G. Peter Wilson and Tracey E. Sutherland
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President's Message

During the past couple of decades, the gap may have widened among the knowledge, skills, and attitudes students have when they enter college and the competencies our stakeholders expect them to possess when they leave college, despite a significant and sustained effort by the academic community to address stakeholders' recommendations. The recent degradation of public trust in the accounting profession and subsequent responses by Congress, regulators, standard setters, courts, corporations, public accountants, and other stakeholders have both aggravated and been aggravated by this gap.

As a result, we have been, and will increasingly be, pressured to reconsider our teaching and curriculum goals and strategies. Much of this pressure has come from within ourselves or the broader academic community: we have recognized that environmental changes call for strategic review. Frequently, it has also has come from other stakeholders, generally with advice, recommendations, or legislative and regulatory mandates.

Stakeholders' and academics' perceptions about this gap may not conform to each other or reality. My primary objective in this message is to argue that we need to work together to identify and address the real gaps: the differences between the competencies students possess when they arrive at colleges and those they need to develop in college and throughout their careers to best serve the public interest.

There are, and should be, significant differences in both the inputs and outputs that define these gaps. With regard to inputs, students start college with widely divergent knowledge levels, skills, and attitudes, including divergent deficiencies (with regard to serving the public interest) and divergent strengths. Concerning outputs, they enter a workplace where a wide range of knowledge, skills, and attitudes is needed to serve the public interest and where there is considerable uncertainty regarding the competencies that will be needed in the future.

Schools have divergent missions and we continually respond to the risks and opportunities related to these gaps by revisiting our teaching-and-curriculum goals and strategies. Our strategic choices are complex, controversial, and risky. Because there is considerable uncertainty regarding what students need to learn in college to best prepare for a diverse and constantly changing workplace, and at least as much controversy regarding how they should learn these things, we often get conflicting advice from our colleagues and stakeholders. Additionally, major curriculum changes and new programs require costly investments involving long-term commitments from faculty and students. Thus, we can suffer significant losses by placing the wrong bets and we cannot afford to place them frequently.

This means that we need to listen very carefully to advice we receive from stakeholders about current and expected future changes in the workplace. They generally know much more than we do about the business phenomena that we teach and research, and they finance us, either directly or indirectly. They have given us plenty of good advice in the past and will continue to do so in the future. We need to capitalize more fully on their expertise and willingness to work with us. However, to work together most effectively, they also need to listen to us and they need to capitalize more on our comparative advantages as educators. Principally, we know our students and we excel at creating and teaching robust concepts that explain a broad array of business phenomena. Importantly, these concepts are largely invariant to change and thus investing in them yields returns throughout students' careers.

G. Peter Wilson

We also tend to value concepts much more than our stakeholders and we favor emphasizing them more in our curricula. Many stakeholders talk about the importance of concepts, but their recommendations, mandates, and actions generally belie their words. For example, legislators and regulators who favor principle-based versus rule-based accounting often mandate competency standards and CPA exams that focus largely on procedures and rules, and thus squeeze out the time that is needed to develop the requisite conceptual foundation to create and apply principles. Similarly, with good intent the public accounting firms often urge us to emphasize concepts and critical thinking more in our curricula at the same time they tell us we are spending too much time teaching abstract ideas and not enough time connecting to practice.

However, as I indicated in my fall message, recent events provide an opportunity to demonstrate the robustness of core concepts and the importance of core values. Those of us who anchor our teaching in the first principles that have emerged from research will likely not have to change the core concepts we teach. Similarly, those of us who teach students to be skeptical and promote integrity, through discussions involving ethical dilemmas and by our own actions, will likely not have to change the core values we teach.

Still, I suspect that many of us will emphasize certain topics more than we did in the past, introduce new applications related to recent events, and strengthen our students' commitment to

(continued on page 11)

In this issue

2003 American Accounting Association New Faculty Consortium

The 21st annual New Faculty Consortium sponsored by the American Accounting Association and Ernst & Young LLP was held February 6–9 at the Lansdowne Resort and Conference Center in Leesburg, Virginia. This is the first year that Ernst & Young LLP sponsored the Consortium, and we are extremely grateful that they provided the venue, accommodations, and logistical support. The Planning Committee members were Walter Blacconiere (Indiana University), Jeffrey Cohen (Boston College), Audrey Gramling (Georgia State University), David Hurtt (Western Michigan University), Lisa Koonce (The University of Texas at Austin), Catherine Schrand (University of Pennsylvania), and Beverly Walther (Chair, Northwestern University). Judy Rayburn (University of Minnesota) was the AAA Research Committee liaison. Ellen Glazerman represented Ernst & Young LLP. Andrea Midy and Lannie Wendorf of Ernst & Young LLP provided invaluable assistance before, during, and after the Consortium.

The two-and-a-half day program was organized around three major themes: planning an academic career, teaching, and scholarship and research. General sessions were followed by small group sessions each facilitated by two group leaders. The group leaders were Ben Ayers (University of Georgia), Anthony Catanach (Villanova University), Julie Smith David (Arizona State University), Todd DeZoort (The University of Alabama), Julia D'Souza (Cornell University), Jonathan Glover (Carnegie Mellon University), Marilyn Johnson (Michigan State University), Ron Kasznik (Stanford University), Laureen Maines (Indiana University), Kaye Newberry (The University of Arizona), Ray Pfeiffer (University of Massachusetts), Sandra Waller Shelton (DePaul University), Brad Tuttle (University of South Carolina), and Susan Watts (Purdue University).

The program began Thursday evening with a dinner and a talk by Beth Brooke, Global Vice Chair—Vice Chair of Americas, Strategy and Corporate Development, Ernst & Young LLP. Beth spoke on the current events in the profession and their impact on accounting firms and users of financial information.

On Friday morning, Ellen Glazerman (Ernst & Young LLP) officially welcomed the 72 new faculty participants. Pete Wilson (Boston College) then facilitated a general session on building a foundation for career planning, and moderated a panel on this topic. The panel members were Bill Felix (The University of Arizona), Steve Moehrle (University of Missouri–St. Louis), and Teri Lombardi Yohn (Georgetown University). A diverse set of issues was covered during this session, providing a basis for more in-depth discussion throughout the program.

Friday afternoon, Amy Dunbar (University of Connecticut) and Charles Lee (Cornell University) provided informative presentations on teaching. Amy focused on the relation between teaching and research with a particular emphasis on technology, while Charles covered the basic elements of effective teaching, as well as ways to bring the real world into the classroom.

Friday's formal program ended with a reception and dinner. After dinner, The Capitol Steps, a musical comedy troupe of current and former Congressional staffers, provided many laughs by satirizing the current accounting scandals and world events, not to mention the very people and places that once employed them.

The focus of Saturday's sessions was scholarship and research. Joel Demski (University of Florida) provided a very thought-provoking presentation on the relation between scholarship and research. Bill Kinney (The University of Texas at Austin) then discussed the importance of effective communication in research, and provided insights on how to begin a research agenda.

Saturday afternoon's sessions focused on the editorial process. Linda Smith Bamber (University of Georgia) provided an editor's perspective, covering topics such as the reasons papers are rejected, transforming a dissertation into a submission, and interpreting editor and reviewer comments. Then Christine Botosan (University of Utah) provided an author's perspective, covering topics such as when a paper is ready for submission and responding to reviewer comments.

Mark Nelson (Cornell University) was the wrap-up speaker. Mark synthesized the topics that were covered on the preceding two days, and provided his own perspective on teaching, research, and developing an academic career.

Saturday's events concluded with a social hour and dinner. The informal setting offered participants another opportunity to interact and establish relationships that will benefit them throughout their career. ■

2003–04 Nominees and Ballot

Also available at http://aaahq.org/AM2003/2004nominees.cfm

Jane F. Mutchler is Associate Dean and the Ernst & Young/J. W. Holloway Memorial Alumni Professor of Accountancy at the J. Mack Robinson College of Business at Georgia State University. Jane has served as Associate Editor for *Auditing: A Journal of Practice & Theory, Accounting Horizons,* and *Issues in Accounting Education.* Jane has served as secretary-treasurer and president of the Auditing Section and Vice President–Education for the American Accounting Association. She has also served as a member of the Accounting Accreditation Committee of the AACSB and is on the committee that is drafting new accounting accreditation standards. ■

Carolyn M. Callahan is the Doris M. Cook Accounting Professor and Director of Doctoral Studies at the University of Arkansas, Fayetteville. She has chaired or served on a number of AAA committees including New Faculty Consortium, the Council, Financial Accounting and Reporting Section Steering Board, Competitive Manuscript Award, Nominations, Globalization Initiatives Committee, Second AAA Globalization Conference (Cambridge), Faculty Diversity and Initiatives, Annual Program, and the Notable Contributions Screening Committee. ■

Mark Chain is the National Director of Recruiting and Human Resour ces Management at Deloitte & Touche. He is a member of the Board of Directors and President of the Deloitte Foundation. He has been active in the National Advisory Forum of Beta Alpha Psi and is a member of several committees of the American Accounting Association. ■

Lee D. Parker is Professor and Associate Dean Research in the School of Commerce at the University of Adelaide, South Australia. Past chair of the Public Interest Section of the AAA and a past president of the Academy of Accounting Historians, he is currently president of CPA Australia in South Australia. Lee has been an advisor to government research grant and rating panels in Australia, U.K., and Hong Kong. A founding editor of the international research journal, *Accounting, Auditing and Accountability Journal,* he also serves on 20 other journal editorial boards internationally. ■

Sue Haka is the Ernst & Young Professor of Accounting, and previously has served as Chair of the Department of Accounting, at Michigan State University. She was the AAA's Director of the Doctoral Consortium and served on the publications, new faculty consortium, nominating, and Wildman AAA committees. Sue has served as President and Secretary-Treasurer of the Management Accounting Section. She was the editor of *Behavioral Research in Accounting* and has served on the editorial board of *The Accounting Review.* ■

Margarita Maria Lenk is an Associate Professor in the Department of Accounting and the Department of Computer Information Systems in the College of Business at Colorado State University. Professor Lenk has been an active member of the Information Systems, Teaching and Curriculum, and the Artificial Intelligence and Emerging Technologies (AIET) sections of the AAA. She is the 2003 AIET Section Liaison for the AAA Annual Meeting. ■

Kate Mooney is a Professor of Accounting at St. Cloud State University where she was named a 2002 Herberger Distinguished Professor of Business and has been the Department Chair for six years. She has served the AAA on various committees including the Finance Committee since 2001. She was treasurer of the APLG and program chair and president of the Midwest AAA. She is on the Board of Directors for the Minnesota Society of CPAs. ■

Hans Peter Moeller is Professor of Accounting at the Aachen University of Technology (RWTH), Germany, and was previously a member of the accounting departments of the Universities of Frankfurt and Augsburg, Germany. He has served on the AAA Outstanding Dissertation Award Selection Committee and as Co-Organizer of AAA's Third Globalization Conference (Berlin). He currently acts as an associate editor of the *Journal of International Accounting Research.* ■

BALLOT

Nominees for Office are hereby submitted to the membership for vote. Associate Members (students) may not vote in elections conducted by the Association.

Each member should indicate his or her vote with an "X" or check mark in the box pertaining to each office on this form. This form can be returned by mail or fax. It is also available online at **http://aaahq.org/AM2003/2004nominees.cfm**. Ballots will be accepted through July 23, 2003.

If mailed: Nominees for Office
American Accounting Association
5717 Bessie Drive
Sarasota, FL 34233-2399

If faxed: (941) 923-4093

PLEASE INDICATE YOUR VOTE NEXT TO THE NOMINEES AT THE RIGHT:

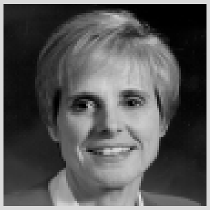
Member ID (from mailing label): ______________________________

Name (please print): ______________________________

Affiliation: ______________________________

Signature: ______________________________

☐ *Jane F. Mutchler*
President-Elect
Nominee



☐ *Carolyn M. Callahan*
Vice President–Undesignated
Nominee

☐ *Mark Chain*
Vice President–Professional Relations
Nominee

☐ *Lee D. Parker*
Vice President–International
Nominee

☐ *Sue Haka*
Vice President–Finance-Elect
Nominee

☐ *Margarita Maria Lenk*
Council Member-at-Large
Nominee
(2 positions to fill)

☐ *Kate Mooney*
Council Member-at-Large
Nominee
(2 positions to fill)

☐ *Hans Peter Moeller*
International Council Member-at-Large
Nominee

Meetings and Calls for Papers

2003 ABO Research Conference
Denver, Colorado
October 17–18, 2003

Research papers should be submitted by June 30, 2003. Selection of conference papers will be announced by August 29, 2003. Authors may simultaneously submit their paper for consideration for publication in *Behavioral Research in Accounting* (with no additional *BRIA* submission fee) if desired. Submit 3 paper copies of the (1) abstract, (2) paper, and (3) stimuli to Professor Sean A. Peffer, Von Allmen School of Accountancy, 355 Gatton College of Business and Economics, University of Kentucky, Lexington, Kentucky 40506-0034. For additional information, please go to the AAA website and click on the Calls for Papers button, and then click on 2003 ABO Research Conference. ■

2004 Information Systems New Scholar Consortium/Workshop and Information Systems Midyear Conference
Clearwater, Florida
January 7–10, 2004

New Scholar Consortium/Workshop, January 8: The Executive Committee of the Information Systems Section announces the New Scholar Consortium to be held on January 8, which will include the New Scholars' Research Workshop from 2:00 to 5:30 pm, immediately preceding the third annual Midyear Conference of the Information Systems Section, which will take place January 9 and 10. The purpose of the New Scholars' Research Workshop is to improve the research skills of Accounting Information Systems Ph.D. students and faculty. Members of the *Journal of Information Systems* Editorial Board will critique accepted workshop participants' papers. Submission deadline for papers is September 1, 2003. For additional information, please visit the AAA website and click on Calls for Papers, and then click on *Journal of Information Systems* New Scholars' Workshop.

Information Systems Midyear Conference, January 9–10: The Information Systems Section's third annual Midyear Conference will include a plenary speaker, panel discussions, as well as research and teaching main/forum paper sessions. For additional information, including procedures, deadlines, and options for submitting research and education papers, please go to the AAA website and click on Calls for Papers, and then click on 2004 Information Systems Midyear Conference. ■

2004 Financial Accounting and Reporting Section Midyear Meeting
Austin, Texas
January 30–31, 2004

The Omni Hotel in downtown Austin, Texas will be the site of the 2004 FARS Midyear Meeting. A blind-review process will be used in selecting research papers to be presented at concurrent sessions during the conference. Submissions will begin to be accepted via an electronic site starting Monday, June 23. Papers must be submitted no later than September 15, 2003.The program listing the conference papers will be posted by December 8, 2003. For additional information, visit the AAA website and click on the Calls for Papers button and then click on 2004 Financial and Reporting Section Midyear Meeting. ■

2004 Management Accounting Section Research and Case Conference
Miami, Florida
January 9–10, 2004

Papers are invited for the 2004 Management Accounting Section Research and Case Conference, which will be held at the Sheraton Biscayne Bay Hotel in Miami. The deadline for submission of research papers and cases is July 15, 2003. Authors are encouraged to submit their papers as early as possible. The selection of conference papers and cases will be announced by October 15, 2003. For additional information, please visit the AAA website and click on the Calls for Papers button and then click on 2004 Management Accounting Section Research and Case Conference. An announcement of the doctoral consortium and registration procedures will be posted in the early fall. ■

Tenth Annual
Midyear Auditing Section Conference
Clearwater, Florida
January 15–17, 2004

The Tenth Annual Midyear Auditing Section Conference will be held at the Hilton Clearwater Beach Resort. CPE sessions will be held on the afternoon of January 15, and the remainder of the conference will consist of keynote, plenary, and concurrent sessions dealing with a wide variety of contemporary topics related to audit, attestation and assurance practices, education, and research. You are encouraged to contribute to the program through submissions of auditing/attestation/assurance research and education papers, teaching cases, and special session proposals. Submission deadline is September 1, 2003. For more detailed information, please go to the AAA website and click on the Calls for Papers button, and then click on Tenth Annual Midyear Auditing Section Conference. ■

2004 *JATA* Conference and ATA Midyear Meeting
Denver, Colorado
February 27–28, 2004

The American Taxation Association will be holding its 16th Annual Midyear Meeting on February 27 and 28 at the Westin Tabor Hotel in Denver, Colorado. In conjunction with 2004 ATA Midyear Meeting, the ATA will be holding the Tenth Annual *The Journal of the American Taxation Association* Conference on February 27. Papers selected for the conference will be published in a supplemental issue of *The Journal of the American Taxation Association.* In addition to the *JATA* Conference, the Midyear Meeting will feature papers on education research, legal research, and research by new faculty and doctoral students. Check the ATA website (http://www.atasection.org) for more information on the ATA Midyear Meeting. ■

2004 Midwest Regional Meeting
Kansas City, Missouri
March 25–27, 2004

Members of the American Accounting Association, academicians, practitioners, and doctoral students are invited to participate in the 2004 AAA Midwest Regional Meeting to be held at the Marriott Country Club Plaza Hotel in Kansas City, Missouri from March 25–27, 2004. Papers may encompass any topical area of accounting and may be theoretical or practice-oriented. Papers must be received by September 28, 2003. Suggestions for panel discussions, workshops, and CPE are also invited. For more detailed information, please visit the AAA website and click on Calls for Papers and then click 2004 Midwest Regional Meeting. ■

2004 Southeast Regional Meeting
Lexington, Kentucky
April 1–3, 2004

Members of the American Accounting Association and graduate students are invited to submit a completed paper or case study for presentation or to participate as a reviewer or session moderator at the 2004 AAA Southeast Regional meeting to be held in Lexington, Kentucky on April 1–3, 2004. Proposals for workshops, CPE programs, and panel sessions are also invited. The theme of the conference will be "The Accounting Profession: Back on Track." Completed papers should be received no later than November 1, 2003, and notification of acceptance will be sent no later than December 15, 2003. For further details, please visit the AAA website and click on Calls for Papers, and then click on 2004 Southeast Regional Meeting. ■

2004 Mid-Atlantic Region
Annual Meeting and Conference
April 15–17, 2004

The 2004 Mid-Atlantic Region Annual Meeting and Conference will be held April 15–17, 2004 in the Washington, D.C. area (Alexandria, VA or Arlington, VA). The theme will be "More Lessons Learned: Corporate Fraud and Accountability." The final deadline to submit completed papers for presentation is January 15, 2004. For additional information, please visit the AAA website and click on the Calls for Papers button and then click on 2004 Mid-Atlantic Region Annual Meeting and Conference. ■

2004 Northeast Regional Meeting
Albany, New York
April 29–May 1, 2004

The 2004 AAA Northeast Regional Meeting will be held April 29–May 1, 2004 at Marist College in Albany, New York. Members of the American Accounting Association, academicians, practitioners, and doctoral students are invited to participate. Papers may encompass any topical area of accounting and may be theoretical or practice-oriented. The program will be structured around the best papers. Completed papers should be received in hard copy no later than Monday, November 17, 2003. Notification of acceptance will be sent no later than Monday, February 2, 2004. Please go to the AAA website for detailed information. Click on Calls for Papers and then click on 2004 Northeast Regional Meeting. ■

2004 Western Region Meeting
Newport Beach, California
April 29–May 1, 2004

The theme of the 2004 Western Region Meeting is "Excellence across the Spectrum of Accounting Education." Accounting educators, students, and professionals are invited to submit completed manuscripts, and ideas for panels or workshops, for presentation at the Meeting, which will be held at the Newport Beach Marriott Hotel & Tennis Club in Newport Beach, California. CPE credit will be available. Awards for Best Research Paper and Best Education Paper are a plaque and $500. Submissions must be received by the deadline to be eligible for these awards. The deadline for paper submissions is November 3, 2003; the deadline for panel and workshop proposals is December 1, 2003. For additional information, please visit the AAA website and click on Calls for Papers, and then click on 2004 Annual Western Region Meeting. ■

2004 Ohio Region Annual Meeting
Akron, Ohio
May 6–8, 2004

The 45th annual meeting of the Ohio Region of the AAA will be held in downtown Akron on May 6–8, 2004. The Quaker Crown Plaza Hotel is being sought to provide attendees high-quality comfort with convenient access to a diverse set of urban recreations. The deadline for submission of papers is February 2004. Electronic submissions are preferred, but paper submissions are acceptable. For additional information, please go to the AAA website and click on Calls for Papers, and then click on 2004 Ohio Region Meeting. ■

AAA Executive Committee Statement on Restructuring Association-wide Journals

The Executive Committee has voted unanimously to rescind our March 2003 decision to restructure the Association-wide journals. The many, many comments we received were important inputs to this decision, and also reinforce our concern that the Association-wide journals require constant management and a responsive governance structure. The previously scheduled town meeting forums in Honolulu will go forward, but with an emphasis on identifying the best continuous management process for keeping our Association-wide journals in step with the interests of our members. We look forward to your participation in the Association's deliberations on this important issue.

American Accounting Association Executive Committee

ACADEMIC PAPER COMPETITION

The Financial Executives Research Foundation (FERF) and the American Accounting Association (AAA) will participate in an academic paper competition sponsored by the Stan Ross Department of Accountancy at Baruch College's Zicklin School of Business. The first annual conference to recognize outstanding academic contributions that further the understanding of financial reporting practices will be held November 7, 2003 at Baruch College.

Baruch will host the annual academic conference, where a cash award will be given to the author of the winning article relating to financial reporting practices. The papers selected for contention will be high-quality research related to financial reporting issues, such as the integrity of financial reports, and the winning paper will be selected based on its interest to both academics and executives who use and produce financial statements. The winner will receive the award at a roundtable conference at Baruch College in New York City. The editors of the journal publishing the winning paper will be invited and recognized as well. The author(s) will present the paper to invited guests from a wide range of backgrounds including corporate (FEI), academic (AAA), public accounting, and government.

Articles that have been published in *The Accounting Review* over the past year will be eligible for the annual competition. These papers will be submitted to a panel of judges selected by FERF who will select the winner. The winner(s) of the award will be expected to come to Baruch's roundtable meeting to present the paper, receive the award, and lead what will be an active discussion of the paper by the participants. ■

Invitation to Volunteer for Committees

President-elect Designee Jane Mutchler is beginning to plan AAA committee assignments for 2004–2005. If you are interested in serving on a committee, please send contact information (name, affiliation, address, phone, fax, and email) with any specific committees of interest to:

Jane F. Mutchler
Georgia State University
Robinson College of Business
University Plaza
MSC 4A0725
Atlanta, GA 30303-3083
Fax: (404) 463-9373
Email: jmutchler@gsu.edu

If you want to suggest someone to serve on a committee, or want to suggest some type of committee activity, please feel free to do so as well. All suggestions and offers are most welcome. ■

Call for Nominees for AAA Offices

The 2003–2004 Committee on Nominations is seeking candidates for the following offices to serve during 2004–2005:

President-Elect
Vice President–Sections and Regions
Vice President–Research
Vice President–Education-Elect
Vice President–Publications-Elect
Council Members-at-Large (2)
International Council Member-at-Large

The 2003–2004 Committee on Nominations will be chaired by Mary Stone, The University of Alabama. Other members of the committee are Joel Demski, University of Florida; Pete Wilson, Boston College; Jim Hunton, Bentley College; Anne Christensen, Montana State University; Kate Mooney, St Cloud State University; and Ella Mae Matsumura, University of Wisconsin–Madison.

Members of the Association who would like to suggest names for consideration as nominees should submit their nominations before December 1, 2003 to:

Mary Stone
Culverhouse School of Accountancy
PO Box 870220
The University of Alabama
Tuscaloosa, AL 35487-0220
Phone: (205) 348-2915
Fax: (205) 348-8453
Email: mstone@cba.ua.edu ■

The ABCs of ERP

Christopher Koch, Senior Editor, CIO.com

Written for an audience of potential users of ERP systems, this article presents a fairly simple overview of the potential challenges and benefits for businesses implementing ERP systems. After a brief introduction of the concept, the author discusses such topics as the most common ERP implementation strategies, how long and how expensive ERP implementations can be, why ERP implementations fail, and how ERP fits with e-commerce. CIO.com is a website for Chief Information Officers and other information executives.

What is ERP?

Enterprise resource planning software, or ERP, doesn't live up to its acronym. Forget about planning—it doesn't do much of that—and forget about resource, a throwaway term. But remember the enterprise part. This is ERP's true ambition. It attempts to integrate all departments and functions across a company onto a single computer system that can serve all those different departments' particular needs.

That is a tall order, building a single software program that serves the needs of people in finance as well as it does the people in human resources and in the warehouse. Each of those departments typically has its own computer system optimized for the particular ways that the department does its work. But ERP combines them all together into a single, integrated software program that runs off a single database so that the various departments can more easily share information and communicate with each other …

Take a customer order, for example. Typically, when a customer places an order, that order begins a mostly paper-based journey from in-basket to in-basket around the company, often being keyed and re-keyed into different departments' computer systems along the way. All that lounging around in in-baskets causes delays and lost orders, and all the keying into different computer systems invites errors. Meanwhile, no one in the company truly knows what the status of the order is at any given point because there is no way for the finance department, for example, to get into the warehouse's computer system to see whether the item has been shipped. "You'll have to call the warehouse" is the familiar refrain heard by frustrated customers.

ERP vanquishes the old stand-alone computer systems in finance, HR, manufacturing and the warehouse, and replaces them with a single unified software program divided into software modules that roughly approximate the old stand-alone systems. Finance, manufacturing and the warehouse all still get their own software, except now the software is linked together so that someone in finance can look into the warehouse software to see if an order has been shipped. Most vendors' ERP software is flexible enough that you can install some modules without buying the whole package …

How can ERP improve a company's business performance?

ERP's best hope for demonstrating value is as a sort of battering ram for improving the way [a] company takes a customer order and processes it into an invoice and revenue—otherwise known as the order fulfillment process. That is why ERP is often referred to as back-office software. It doesn't handle the up-front selling process (although most ERP vendors have recently developed CRM [Customer Relationship Management] software to do this); rather, ERP takes a customer order and provides a software road map for automating the different steps along the path to fulfilling it. When a customer service representative enters a customer order into an ERP system, he has all the information necessary to complete the order (the customer's credit rating and order history from the finance module, the company's inventory levels from the warehouse module and the shipping dock's trucking schedule from the logistics module, for example).

People in these different departments all see the same information and can update it. When one department finishes with the order it is automatically routed via the ERP system to the next department … With luck, the order process moves like a bolt of lightning through the organization, and customers get their orders faster and with fewer errors than before. ERP can apply that same magic to the other major business processes, such as employee benefits or financial reporting. That, at least, is the dream of ERP. The reality is much harsher.

Let's go back to those in-boxes for a minute. That process may not have been efficient, but it was simple. Finance did its job, the warehouse did its job, and if anything went wrong outside of the department's walls, it was somebody else's problem. Not anymore. With ERP, the customer service representatives are no longer just typists … The ERP screen makes them business people. It flickers with the customer's credit rating from the finance department and the product inventory levels from the warehouse. Will the customer pay on time? Will we be able to ship the order on time? These are decisions that customer service representatives have never had to make before, and the answers affect the customer and every other department in the company. But it's not just the customer service representatives who have to wake up. People in the warehouse who used to keep inventory in their heads or on scraps of paper now need to put that information online. If they don't, customer service reps will see low inventory levels on their screens and tell customers that their requested item is not in stock. Accountability, responsibility and communication have never been tested like this before.

People don't like to change … that is why the value of ERP is so hard to pin down. The software is less important than the changes companies make in the ways they do business. If you use ERP to improve the ways your people take orders, manufacture goods, ship them and bill for them, you will see value from the software. If you simply install the software without changing the ways people do their jobs, you may not see any value at all …

How long will an ERP project take?

Companies that install ERP do not have an easy time of it. Don't be fooled when ERP vendors [talk] about a three- or six-month average implementation time. Those

(continued on page 8)

The ABCs of ERP

(continued from page 7)

short (that's right, six months is short) implementations all have a catch of one kind or another: the company was small, or the implementation was limited to a small area of the company, or the company used only the financial pieces of the ERP system (in which case the ERP system is nothing more than a very expensive accounting system). To do ERP right, the ways you do business will need to change and the ways people do their jobs will need to change too …

The important thing is not to focus on how long it will take—real transformational ERP efforts usually run between one and three years, on average—but rather to understand why you need it and how you will use it to improve your business.

What will ERP fix in my business?

There are five major reasons why companies undertake ERP.

Integrate financial information—As the CEO tries to understand the company's overall performance, he may find many different versions of the truth. Finance has its own set of revenue numbers, sales has another version, and the different business units may each have their own version of how much they contributed to revenues. ERP creates a single version of the truth that cannot be questioned because everyone is using the same system.

Integrate customer order information—ERP systems can become the place where the customer order lives from the time a customer service representative receives it until the loading dock ships the merchandise and finance sends an invoice. By having this information in one software system, rather than scattered among many different systems that can't communicate with one another, companies can keep track of orders more easily, and coordinate manufacturing, inventory and shipping among many different locations at the same time.

Standardize and speed up manufacturing processes—Manufacturing companies—especially those with an appetite for mergers and acquisitions—often find that multiple business units across the company make the same widget using different methods and computer systems. ERP systems come with standard methods for automating some of the steps of a manufacturing process. Standardizing those processes and using a single, integrated computer system can save time, increase productivity and reduce head count.

Reduce inventory—ERP helps the manufacturing process flow more smoothly, and it improves visibility of the order fulfillment process inside the company. That can lead to reduced inventories of the stuff used to make products (work-in-progress inventory), and it can help users better plan deliveries to customers, reducing the finished good inventory at the warehouses and shipping docks. To really improve the flow of your supply chain, you need supply chain software, but ERP helps too.

Standardize HR information—Especially in companies with multiple business units, HR may not have a unified, simple method for tracking employees' time and communicating with them about benefits and services. ERP can fix that. In the race to fix these problems, companies often lose sight of the fact that ERP packages are nothing more than generic representations of the ways a typical company does business. While most packages are exhaustively comprehensive, each industry has quirks that make it unique. Most ERP systems were designed to be used by discrete manufacturing companies (that make physical things that can be counted), which immediately left all the process manufacturers (oil, chemical, and utility companies that measure their products by flow rather than individual units) out in the cold. Each of these industries has struggled with the different ERP vendors to modify core ERP programs to their needs.

Will ERP fit the ways I do business?

It's critical for companies to figure out if their ways of doing business will fit within a standard ERP package before … implementation begins. The most common reason that companies walk away from multimillion-dollar ERP projects is that they discover the software does not support one of their important business processes. At that point there are two things they can do: They can change the business process to accommodate the software, which will mean deep changes in long-established ways of doing business (that often provide competitive advantage) and shake up important people's roles and responsibilities … Or they can modify the software to fit the process, which will slow down the project, introduce dangerous bugs into the system and make upgrading the software to the ERP vendor's next release excruciatingly difficult because the customizations will need to be torn apart and rewritten to fit with the new version.

Needless to say, the move to ERP is a project of breathtaking scope, and the price tags on the front end are enough to make the most placid CFO a little twitchy. In addition to budgeting for software costs, financial executives should plan to write checks to cover consulting, process rework, integration testing and a long laundry list of other expenses before the benefits of ERP start to manifest themselves. Underestimating the price of teaching users their new job processes can lead to a rude shock down the line, and so can failure to consider data warehouse integration requirements and the cost of extra software to duplicate the old report formats …

What does ERP *really* cost?

Meta Group recently did a study looking at the total cost of ownership (TCO) of ERP, including hardware, software, professional services and internal staff costs. The TCO numbers include getting the software installed and the two years afterward, which is when the real costs of maintaining, upgrading and optimizing the system for your business are felt. Among the 63 companies surveyed—including small, medium and large companies in a range of industries—the average TCO was $15 million (the highest was $300 million and lowest was $400,000). While it's hard to draw a solid number from that kind of range of companies and ERP efforts, Meta came up with one statistic that proves that ERP is expensive no matter what kind of company is using it. The TCO for a "heads-down" user over that period was a staggering $53,320.

When will I get payback from ERP—and how much will it be?

Don't expect to revolutionize your business with ERP. It is a navel-gazing exercise that focuses on optimizing the way things are done internally rather than with customers, suppliers or partners. Yet the navel gazing has a pretty good payback if you're willing to wait for it—a Meta Group study of 63 companies found that it took eight months after the new system was in (31 months total) to see any benefits. But the median annual savings from the new ERP system were $1.6 million.

What are the hidden costs of ERP?

Although different companies will find different land mines in the budgeting process, those who have implemented ERP packages agree that certain costs are more commonly overlooked or underestimated than others. Armed with insights from across the business, ERP pros vote the following areas as most likely to result in budget overrun.

1. Training

Training is the near-unanimous choice of experienced ERP implementers as the most underestimated budget item. Training expenses are high because workers almost invariably have to learn a new set of processes, not just a new software interface. Worse, outside training companies may not be able to help you … Prepare to develop a curriculum yourself that identifies and explains the different business processes that will be affected by the ERP system.

One enterprising CIO hired staff from a local business school to help develop and teach the ERP business-training course to employees. Remember that with ERP, finance people will be using the same software as warehouse people and they will both be entering information that affects the other. To do this accurately, they have to have a much broader understanding of how others in the company do their jobs … So take whatever you have budgeted for ERP training and double or triple it up front. It will be the best ERP investment you ever make.

2. Integration and testing

Testing the links between ERP packages and other corporate software links that have to be built on a case-by-case basis is another often-underestimated cost. A typical manufacturing company may have add-on applications from the major—e-commerce and supply chain, to the minor—sales tax computation and bar coding. All require integration links to ERP. If you can buy add-ons from the ERP vendor that are pre-integrated, you're better off. If you need to build the links yourself, expect things to get ugly. As with training, testing ERP integration has to be done from a process-oriented perspective …

3. Customization

Add-ons are only the beginning of the integration costs of ERP. Much more costly, and something to be avoided if at all possible, is actual customization of the core ERP software itself … Upgrading the ERP package—no walk in the park under the best of circumstances—becomes a nightmare because you'll have to do the customization all over again in the new version. Maybe it will work, maybe it won't. No matter what, the vendor will not be there to support you …

4. Data conversion

It costs money to move corporate information, such as customer and supplier records, product design data and the like, from old systems to new ERP homes …

5. Data analysis

Often, the data from the ERP system must be combined with data from external systems for analysis purposes. Users with heavy analysis needs should include the cost of a data warehouse in the ERP budget—and they should expect to do quite a bit of work to make it run smoothly. Users are in a pickle here: Refreshing all the ERP data every day in a big corporate data warehouse is difficult, and ERP systems do a poor job of indicating which information has changed from day to day, making selective warehouse updates tough …

6. Consultants *ad infinitum*

When users fail to plan for disengagement, consulting fees run wild. To avoid this, companies should identify objectives for which its consulting partners must aim when training internal staff. Include metrics in the consultants' contract; for example, a specific number of the user company's staff should be able to pass a project-management leadership test …

7. Replacing your best and brightest

It is accepted wisdom that ERP success depends on staffing the project with the best and brightest from the business and IS divisions. The software is too complex and the business changes too dramatic to trust the project to just anyone. The bad news is a company must be prepared to replace many of those people when the project is over. Though the ERP market is not as hot as it once was, consultancies and other companies that have lost their best people will be hounding yours … Huddle with HR early on to develop a retention bonus program and create new salary strata for ERP veterans. If you let them go, you'll wind up hiring them—or someone like them—back as consultants for twice what you paid them in salaries.

8. Implementation teams can never stop

Most companies intend to treat their ERP implementation as they would any other software project. Once the software is installed, they figure the team will be scuttled and everyone will go back to his or her day job. But after ERP, you can't

(continued on page 10)

SITES TO SEE

PCAOB Website

http://www.pcaobus.org/default.asp

Find news and events on the site of the Public Company Accounting Oversight Board—the private, nonprofit corporation, created by the Sarbanes-Oxley Act of 2002. Its stated mission is to protect investors in U.S. securities markets and to further the public interest.

ValuationResources.Com

http://valuationresources.com

A free resource for those interested in business valuation and related topics. Subjects covered include valuation publications; economic data and forecasts; industry overview, issues, and trends; industry outlook and forecasts; financial benchmarking; compensation surveys; public company information; transaction data; valuation discounts and premiums; and legal and tax resources.

e-Portfolios for Learning and Assessment

http://www.educause.edu/nlii/keythemes/eportfolios.asp

Useful both to support learning and for assessment of such activities as accreditation reviews, e-portfolios are electronic collections of work designed for a specific objective—sometimes tied to specific curriculum points like a capstone course. As our technical capacity grows and we become more able to collect, store, manipulate, and share information digitally—e-portfolios become a potentially vital part of students' permanent records and of their own learning management.

faculty development UPDATE

The ABCs of ERP

(continued from page 9)

go home again. The implementers are too valuable. Because they have worked intimately with ERP, they know more about the sales process than the salespeople and more about the manufacturing process than the manufacturing people. Companies can't afford to send their project people back into the business because there's so much to do after the ERP software is installed … Unfortunately, few IS departments plan for the frenzy of post-ERP installation activity … Many are forced to beg for more money and staff immediately after the go-live date, long before the ERP project has demonstrated any benefit.

9. Waiting for ROI

One of the most misleading legacies of traditional software project management is that the company expects to gain value from the application as soon as it is installed, while the project team expects a break and maybe a pat on the back. Neither expectation applies to ERP. Most of the systems don't reveal their value until after companies have had them running for some time and can concentrate on making improvements in the business processes that are affected by the system …

10. Post-ERP depression

ERP systems often wreak havoc in the companies that install them. In a recent Deloitte Consulting survey of 64 *Fortune* 500 companies, one in four admitted that they suffered a drop in performance when their ERP system went live. The true percentage is undoubtedly much higher. The most common reason for the performance problems is that everything looks and works differently from the way it did before …

Why do ERP projects fail so often?

At its simplest level, ERP is a set of best practices for performing different duties in your company, including finance, manufacturing and the warehouse. To get the most from the software, you have to get people inside your company to adopt the work methods outlined in the software. If the people in the different departments that will use ERP don't agree that the work methods embedded in the software are better than the ones they currently use, they will resist using the software or will want IT to change the software to match the ways they currently do things. This is where ERP projects break down. Political fights break out over how—or even whether—the software will be installed. IT gets bogged down in long, expensive customization efforts to modify the ERP software to fit with powerful business barons' wishes. Customizations make the software more unstable and harder to maintain when it finally does come to life. The horror stories you hear in the press about ERP can usually be traced to the changes the company made in the core ERP software to fit its own work methods …

But IT can fix the bugs pretty quickly in most cases, and besides, few big companies can avoid customizing ERP in some fashion—every business is different and is bound to have unique work methods that a vendor cannot account for when developing its software. The mistake companies make is assuming that changing people's habits will be easier than customizing the software. It's not. Getting people inside your company to use the software to improve the ways they do their jobs is by far the harder challenge. If your company is resistant to change, then your ERP project is more likely to fail.

How do companies organize their ERP projects?

Based on our observations, there are three commonly used ways of installing ERP.

The Big Bang—In this, the most ambitious and difficult of approaches to ERP implementation, companies cast off all their legacy systems at once and install a single ERP system across the entire company. Though this method dominated early ERP implementations, few companies dare to attempt it anymore … Most of the ERP implementation horror stories from the late '90s warn us about companies that used this strategy. Getting everyone to cooperate and accept a new software system at the same time is a tremendous effort, largely because the new system will not have any advocates. No one within the company has any experience using it, so no one is sure whether it will work. Also, ERP inevitably involves compromises. Many departments have computer systems that have been honed to match the ways they work. In most cases, ERP offers neither the range of functionality nor the comfort of familiarity that a custom legacy system can offer. In many cases, the speed of the new system may suffer because it is serving the entire company rather than a single department …

Franchising strategy—This approach suits large or diverse companies that do not share many common processes across business units. Independent ERP systems are installed in each unit, while linking common processes, such as financial bookkeeping, across the enterprise. This has emerged as the most common way of implementing ERP. In most cases, the business units each have their own "instances" of ERP—that is, a separate system and database. The systems link together only to share the information necessary for the corporation to get a performance big picture across all the business units (business unit revenues, for example), or for processes that don't vary much from business unit to business unit (perhaps HR benefits). Usually, these implementations begin with a demonstration or pilot installation in a particularly open-minded and patient business unit … Once the project team gets the system up and running and works out all the bugs, the team begins selling other units on ERP, using the first implementation as a kind of in-house customer reference. Plan for this strategy to take a long time.

Slam dunk—ERP dictates the process design in this method, where the focus is on just a few key processes, such as those contained in an ERP system's financial module. The slam dunk is generally for smaller companies expecting to grow into ERP. The goal here is to get ERP up and running quickly and to ditch the fancy reengineering in favor of the ERP system's "canned" processes. Few companies that have approached ERP this way can claim much payback from the new system. Most use it as an infrastructure to support more diligent installation efforts down the road. Yet many discover that a slammed-in ERP system is little better than a legacy system because it doesn't force employees to change any of their old habits …

e-Commerce means IT departments need to build two new channels of access into ERP systems—one for customers (otherwise known as business-to-consumer) and one for suppliers and partners (business-to-business). These two audiences want two different types of information from your ERP system. Consumers want order status and billing information, and suppliers and partners want just about everything else …

The full text of this article is available at http://www.cio.com/research/erp/edit/erpbasics.html ■

President's Message

(continued from page 1)

professional values. To this end, we need to share ideas and seek advice from stakeholders. We also need to challenge their suggestions when appropriate and encourage them to challenge ours, with the understanding that we will all benefit from regaining the public trust, and with the recognition that there are mutual benefits to working together.

Noteworthy in this regard is the recent monograph by PricewaterhouseCoopers, *Educating for the Public Trust,* which aims to "stimulate productive dialogue on the future of accounting education" by stating the firm's views on accounting education, making ten related recommendations, and reporting the results of a study of the curricula at nine universities and PricewaterhouseCoopers. I especially recommend the summary of the study by Dr. Clinton F. Conrad and Ms. Kim Rapp from the University of Wisconsin, not because I concur with the authors' analyses and conclusions, although I agree with many of them, but rather because I believe they met one of their stated goals: "we have advanced findings and interpretations that encourage the reader to reexamine her or his own assumptions about accounting education." Additionally, as researchers from outside accounting, they offer a fresh perspective, including very useful insights about classifying curricula.

Conrad and Rapp find that faculty at the nine schools they studied are already addressing what is arguably the most critical thing educators must do to help the profession regain the public trust: help students and new entrants value and develop "professional attitudes-of-mind." By this, the authors mean the attitudes, values, and beliefs that faculty consider to be at the core of the accounting profession. The authors identify three prominent professional attitudes-of-mind: "(1) an ethical foundation—that is defined as an internalized set of values and moral principles to inform the practice of accounting; (2) a sense of civic and social responsibility; and (3) a sense of professional responsibility to clients."

Regardless of whether other factors actually contributed to the degradation of public trust, including competencies detailed in the monograph, in my opinion, the public perception is that greed and a systemic breakdown of professional attitudes-of–mind largely caused the decline in the profession's credibility. As suggested by the authors' findings, academics are generally aware that this is where we can and must focus our effort.

The front end of the monograph presents PricewaterhouseCoopers' goal regarding what educators must do to help the profession regain the public trust, followed by ten recommendations to achieve this goal. The goal is quite general and I suspect that it will not be very controversial because most schools have been trying to achieve similar goals for decades: "to educate for the public trust, accounting programs must be successful in attracting the right students, provide a vigorous and challenging curriculum, and maintain adequate resources to insure the viability of the educational process."

Similarly, most of the recommendations will not be controversial because they are either widely accepted premises (rather than calls to action) or calls to action that have been voiced repeatedly in the past and responded to purposefully and diligently with varying degrees of success. Specifically, they mostly restate recommendations by the Accounting Education Change Commission. Still, they continue to be central to reform and we have not fully met them. Conrad and Rapp report that while the nine universities they studied have made significant progress toward meeting the goals, there still are gaps. These are outstanding programs that are regularly ranked among the best in the country. Thus, it seems reasonable to assume that these gaps are probably pervasive and may be wider at some programs.

A couple of PricewaterhouseCoopers' recommendations will be controversial and I applaud the firm for taking positions and encouraging debate. One that will undoubtedly stir emotions centers on the 150-hour rule. PricewaterhouseCoopers states, "the value proposition for the uniform application of the 150-hour rule across all entrants to the profession needs to be reexamined" and recommends that "the 150-hour requirement should remain but be changed to include alternatives to create greater flexibility in how the profession attracts top talent." Two alternatives to formal college education that meet the current requirements are suggested: requiring an additional year or more of practice and/or recognition for continuing professional education.

The pros and cons of this recommendation will undoubtedly be discussed extensively elsewhere and may ensue for several years. After all, the states with 150-hour requirements took a couple of decades or more to debate, legislate, and implement these requirements and some states are still pursuing this end. Moreover, public trust could be harmed by the proposed alternatives unless they are accompanied by significant changes in the CPA exam content and in the times when it can be taken. Otherwise the alternatives will be challenged vigorously by the business media, politicians, and other watchdogs that will play a critical role in rebuilding the public trust. As indicated earlier, the public generally believes that greed and a systemic breakdown of "professional attitudes-of–mind" caused the decline in the profession's credibility and the watchdogs bark loudly whenever there is the slightest indication of a conflict of interest. Thus, they will likely question whether requiring additional experience and/or continuing professional education will address the profession's problems as well as requiring additional formal education. They may raise concerns about the fox guarding the hen house, arguing that firms have an incentive to teach skills that generate revenues rather than those that will help them best serve the public interest. Additionally, they may argue that the accountants who violated the public trust had several years of experience and had taken numerous continuing professional education courses, including courses on ethics and professionalism.

One way to address these concerns would be to revamp the CPA exam content (one more time) and permit new entrants to take it either after they complete a formal 150-hour requirement or after they complete one of the two proposed alternatives. If there was a broad consensus that the exam could reliably measure professional attitudes-of-mind and the other high-level competencies discussed in the monograph, the flexibility suggested by PricewaterhouseCoopers would seem reasonable because the focus would be on outputs rather than inputs. However, there are significant costs to delaying the exam. For example, students would be more reluctant to become accounting majors if they had to wait a few more years to determine whether they would pass the exam—unless, of course, starting salaries were increased significantly to compensate for this risk.

There is a second recommendation in the monograph that many academics will likely challenge: "Deans and Program Leaders should support faculty in their efforts to interact with the profession. A professorate that is disconnected will be less likely to be able to create a culture of accountability or live the spirit of transparency. Many recent entrants into the academy do not have significant understanding of or ties to the profession."

Most academics would likely agree that practical experience provides faculty with tremendous benefits, including a much deeper understanding of ethical dilemmas that arise in practice,

(continued on page 12)

President's Message

(continued from page 11)

but this does not necessarily mean that young faculty need to be connected to practice to help students value and appreciate professional attitudes-of mind. Doctors, lawyers, soldiers, politicians, media reporters, advertising agents, and many others also need an ethical foundation, sense of civic and social responsibility, and sense of professional responsibility. Accountants did likely not lose credibility with the public because of a concern that ethical elements that are idiosyncratic to the profession deteriorated. Rather, public trust was degraded because the public became concerned that too many accountants were not living up to the ethical standards and sense of civic and social responsibility that are expected to be upheld by all of the professionals listed above. Arguably, this public perception exaggerates the deterioration of values in the profession and thus does not does not fairly reflect reality. However, we must address the perception and the reality, especially in the classroom, as we try to convince students to join the profession. Most accounting academics, regardless of their professional connectivity, are aware of the need to address this challenge and are up to the task.

Similarly, most academics agree that it is important to connect to the profession as much as possible given the other demands on our time and that many newcomers to the academy do not have significant linkages to the profession. We recognize that the more we know about business phenomena, holding fixed other skills we need, the more likely we will be better teachers and researchers. However, many of us believe that research skills that are largely developed in doctoral programs and early in new entrants' careers are equally essential to our long-run success.

Doctoral programs would prefer to admit students who have accounting experience and the other requisite skills to succeed in academia. But often they are forced to make trade-offs, as are schools when they hire new faculty. Still, many leading academics who were disconnected from practice when they started their careers were later highly sought after as consultants by public accounting firms, corporations, and government agencies and they regularly win teaching awards. More generally, new faculty who are disconnected from practice are motivated to increasingly make these connections during their careers and, as a result, gradually strengthen them. Perhaps their strongest motivation is that virtually all leading academics have strong ties to practice and they are mentors and/or role models for new faculty.

However, the desire to connect to practice and more broadly to everyone who prepares audits, regulates, and uses accounting information is not limited to the leading academics. Generally, academics at all ranks want more opportunities to interact with government and business representatives, either on campus or at meetings. AAA sessions involving representatives from government and business regularly receive high ratings and are well attended. Similarly, many of our most stimulating classes involve visitors from the business community. Importantly, whether in the classroom or at meetings, these interactions tend to work best when they center on the public interest and are informative and mutually beneficial.

Thus, I agree that academics need to get more real. However, to regain public trust, I strongly believe that the real world needs to get more academic. At issue is balancing the current relevance and long-term reliability of students' human capital, and balancing their commitments to private and public interests. By reliable human capital, I mean "build to last" on a solid foundation of robust concepts, values, and skills that ensure trustworthy achievement, adaptation to changing circumstances (future relevance), and a willingness and capacity to work effectively with others. In this regard, arguably many of the profession's current problems, including the degradation in public trust, may have been significantly aggravated by focusing too much on current relevance and not enough on long-term reliability.

The keys are balance and collaboration. Academics need to work with our stakeholders to seek balances that are aligned with our colleges' missions. First and foremost, we need to help our students build solid foundations of robust concepts, values, and skills—this is our comparative advantage in their pursuit of lifelong learning. But we also need to apply concepts, principles, and values to a wide array of business phenomena to ensure that they know how to relate them and, more generally, are sufficiently familiar with business realities to jump-start their careers. To this end, we need considerable help from our stakeholders who have a much deeper understanding of business phenomena.

There are gains to trade. We need stakeholders' help when students are being educated in our domain (college) and we need to accept PricewaterhouseCoopers' invitation to help them and others educate employees in their domain (continuous professional education). By doing so, we can work together to close the gap between the competencies students possess when they arrive at college and those they need to develop in college and throughout their careers to best serve the public interest. ■

New Poster Session Format Highlights Strategies to Encourage Learning

The Effective Learning Strategies Forum will showcase ideas, strategies, research and education innovations supporting learning in accounting classes and programs. The poster session offers a new opportunity for faculty interested in curriculum-, learning- and teaching-related issues to participate in the program, and to build enthusiasm for innovations in accounting education and the scholarship of teaching. The format provides presenters the opportunity for an intimate forum for exchange in an informal, free flowing session where authors are available to discuss their work with circulating meeting participants.

Tuesday and Wednesday
10:00 am – 11:30 am
Hilton, Coral Conference Center, Coral Lounge
(Near Registration and the Exhibit Hall) ■

A Few Words from the Executive Director

At this time of year it is difficult here in the headquarters office to focus on much beyond the upcoming 2003 Annual Meeting in Hawaii. I hope to see many of you there, and that those of you who are unable to be in Honolulu will mark your calendars now to attend the 2004 AAA Annual Meeting in Orlando, Florida, August 8–11, 2004.

This year's Annual Meeting pre-conference events will include 36 CPE sessions, followed by an exciting program of plenary, panel, forum, and poster sessions. Approximately 110 concurrent sessions will be held, with topics including governance, valuation, international standard setting, ethics, teaching AIS, distance learning, research in all of our disciplinary areas, understanding students' cognitive development, and new developments in the profession.

We are particularly anticipating:

- Opening speaker Arthur Wyatt's plenary speech invited by the Professionalism and Ethics Committee (Monday morning, August 4)
- The follow-up panel to the opening plenary chaired by Steve Zeff, Rice University, and featuring Arthur Wyatt, University of Illinois at Urbana–Champaign (former chairman of the Accounting Standards Executive Committee of the AICPA, and member of AICPA Board of Directors and FASB); Lynn Turner, Colorado State University (former SEC chief accountant); Jerry Sullivan, Executive Director of the Transition Oversight Staff (former chairman of the Auditing Standards Board); and Jim Gaa, University of Alberta (former member of the Canadian delegation to the IASC)
- AAA's first offering of a Cyber Café that will allow attendees to access email and the Internet during the conference
- Tuesday morning's plenary speech, provocatively entitled "Endogenous Expectations," by Joel Demski, University of Florida (2001–2002 AAA President)
- The new Effective Learning Strategies Forum poster sessions on Tuesday and Wednesday mornings near the Exhibit Hall
- Tuesday's luncheon address by Marva Collins, who, among her many accomplishments, has been profiled in *Time* and *Newsweek*, appeared on *60 Minutes* and *Good Morning America*, received 42 honorary doctorates, declined the opportunity to become U.S. Secretary of Education, and trained *Fortune* 500 companies and over 100,000 teachers, principals, and administrators in her teaching approach.
- Kevin Stocks, Brigham Young University, will chair a follow-up session on Marva Collins' principles with panelists Don Wygal, Rider University; Sherrie Mills, New Mexico State University; Carolyn Callahan, University of Arkansas; and Bill McCarthy, Michigan State University.
- Professor Tang Yunwei, Managing Partner for E&Y Da Hua and former President of Shanghai University of Finance and Economics, is the distinguished Wednesday morning plenary speaker. The follow-up forum on Corporate Governance and Accounting Reforms in Emerging Markets panel will feature Tang Yunwei; Ferdinand Gul, City University of Hong Kong; Daochi Tong, China Securities Regulatory Commission; and Katherine Schipper from the FASB.

Tracey Sutherland

- 2003–2004 AAA President Bill Felix, Wednesday's featured luncheon speaker, will discuss the state of the AAA and provide insightful observations on current issues in the profession.

I hope your summer semester provides all of the productivity and/or relaxation you have planned. In either case it will be fleeting and soon we will be anticipating the excitement of the start of the fall semester. I hope to see you in Hawaii or at an upcoming meeting in the 2003–2004 academic year.

Aloha! ■

MARK YOUR CALENDARS

for the 2004 Annual Meeting

ORLANDO, FLORIDA
August 8–11, 2004

Make plans now to join us next year in sunny Orlando!

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