

NASBA

Accounting Education Research Grant Recipients

Announced May 2011

THE SUCCESSFUL CPA IN A RAPIDLY CHANGING GLOBAL ECONOMY: TECHNOLOGY SKILLS AND MANAGING IN A VIRTUAL SETTING

Submitted By:

Kathy T. Best
Mount Olive College

Roselie E. McDevitt
Mount Olive College

Funding Request: \$8,160

Funding Approved by Subcommittee: \$8,160

Proposal Excerpt:

The accounting profession has been called upon to meet the challenges brought about by globalization and technology. Today's workforce must have the skills and aptitudes to meet those challenges. To date little research has addressed the characteristics and skill set required by entry-level accountants in a rapidly changing global and technology dependent economy. Even less has been reported about the required characteristics and skills needed for advancement in the accounting firms. The proposed research is descriptive in nature. Data will be gathered from partners in accounting firms that will describe the important characteristics and skills needed to get hired and subsequently promoted in the public accounting field.

Survey Monkey will be used to electronically distribute our survey instrument to the targeted partners. The instrument will be designed to have CPA firm partners rate the desirable characteristics and skills of prospective professional employees. Using the same set of characteristics and skills, the respondents will be asked to evaluate staff accountants at the end of the first year and again at the end of the fifth year must. This study will result in a three-stage model of the successful accountant that will help future researchers form testable hypotheses about the nature of the development process experienced by the successful accountant. The first phase of the model will describe the characteristics and skill set needed to obtain an entry-level position in an accounting firm. The second and third phases will describe the characteristics and skills required to advance after the first year of work and the fifth year of work respectively. This study will benefit accounting education by providing those in academe with current knowledge on what employers look for in an entry-level accountant and allow them to make informed curricular decisions and give up-to-date career advice. It will benefit the profession because it will provide a recent update in an ever-changing field.

DETERMINANT FACTORS FOR THE DEARTH OF MINORITY CPAS

Submitted By:

Helen Gabre, Ph.D., CPA
Alabama A&M University

Dale L. Flesher, Ph.D., CPA
University of Mississippi

Frank Ross, MBA, CPA
Howard University

Funding Request: \$23,500

Funding Approved by Subcommittee: \$8,000

Proposal Excerpt:

The purpose of this project is to examine the factors that contribute to the success or failure of African American and Hispanic accountants in relation to the CPA exam. We plan to use the National Association of Black Accountants (NABA), the Association of Latino Professionals in Finance and Accounting (ALPFA) and the Institute of Management Accountants (IMA) databases to distribute online surveys for data collection purposes. Using these three sources will provide respondents who both hold the CPA certificate and those who do not, and will insure that large numbers of African Americans, Hispanics, and Caucasians are included in the population.

As a pilot study, an online survey of African American accountants was conducted through the auspices of the Center for Accounting Education (CAE), Howard University. An instrument (Appendix A in attached paper) was developed with 21 items that measured factors such as the availability of role models, and certificate perception. Statements that probe respondents' perception were measured on a 5-point scale with extreme points anchored at "Strongly Agree" and "Strongly Disagree" (1 at "Strongly Agree" and 5 at "Strongly Disagree").

In addition, the questionnaire contained questions related to the type of school attended, the different routes used by respondents to fulfill the 150-hr requirement, and the type of reviews undertaken to prepare for the CPA exam etc. In addition to some open-ended questions related to their professional experience, subjects had to supply demographic data. Data will be analyzed using chi-square statistical analysis and factor analysis with Varimax rotation to group the continuous data about the importance of different factors to achieving the CPA credential. The factors extracted will be used as independent variables in logistic regression.

ARE CPAS COMPLYING WITH THE SPIRIT OF THE 150 HOUR REQUIREMENT?

Submitted By:

Kate Mooney, PhD, CPA
Professor and Chair, Dept. of Accounting
St. Cloud State University

Kerry Marrer, MBA, CPA
Director of Undergraduate Programs and Assessment
St. Cloud State University

Funding Request: \$4,000

Funding Approved by Subcommittee: \$4,000

In 1988 the requirements to become a CPA changed when the AICPA established the 150 hour requirement for membership. Over the last two decades states have passed various versions of the 150 hour requirement. As education costs soar and dissatisfaction with new hires grows, some question the wisdom of the 150 hour requirement. Critics speculate that without concrete specification of content, students fulfill the credits by taking easy, irrelevant coursework. Proponents of flexibility argue that specification imposes a one-size-fits-all structure that doesn't allow the student to develop weak areas. The purpose of this project is to investigate what students are using to fulfill the additional 30 credit hours. We plan to hand gather data from the transcripts of approximately 500 accounting graduates at a large, comprehensive state university in the Midwest. As of July 1, 2006, the applicable state law allows people to sit for the exam with a bachelor's degree but requires 150 credit hours for licensure with little content specification beyond 30 credits of accounting and 24 credits of business. Regulators can use the results of this project to establish content specification for the additional 30 hours, if necessary. Application for NASBA Accounting Education Research Grants Program

Without content specification for additional education requirements, speculation abounds that students may choose easy, irrelevant coursework to meet the 150 hour requirement. Yet, legislators and regulators are reluctant to require a Masters' degree. No one has investigated how students are meeting the 150 hour requirement which would inform necessary regulation of content for the additional credits beyond the bachelor's degree. This project will address that gap in information.

This project will provide information on actual student coursework taken to meet the 150 hour requirement in a state that requires, since July 1, 2006, only a bachelor's degree to take the CPA exam, but 150 credits for licensure. Having fact based information will help regulators to decide if more content specification is necessary.