

# The accounting profession in society accounting essay

Profession



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Accounting has traditionally been viewed by society as drilling, boring and humdrum figure crunching. Consequently, pupils who have perceived that they are non 'good with Numberss ' may hold steered off from accounting as a major class of survey and as a calling pick. Initially, the literature reappraisal examines secondary school pupils ' perceptual experiences of the work of an comptroller and the accounting profession. It is followed with a reappraisal of the cardinal factors act uponing pupils ' perceptual experiences. Last, the position of accounting compared to other professions will be examined.

### **The Accounting profession in society**

Typically, comptrollers have been referred to as figure crunchers, concentrating on numerical truth, everyday recording and computation methods ( Parker, 2000 ) . Albrecht and Sack ( 2000 ) , Cory ( 1992 ) , and Garner and Dombrowski ( 1997 ) attributed these negative perceptual experiences to misinformation or deficiency of information about what accounting is and the nature of the responsibilities that comptrollers performed.

Napier and Carnegie ( 2007 ) noted that accounting has been described as an progressively societal pattern instead than a proficient pattern as it competes with other professional groups and businesss to pull and retain endowments. As a calling, accounting has come under examination in many ways ( Ajibolade, 2008 ; Adeyeye et al. , 2010 ) , peculiarly in epochs of corporate prostration.

Research conducted by Mladenovic ( 2000 ) showed that pupils tend to comprehend accounting as chiefly numerical, nonsubjective and non-controversial, and are less able to comprehend the importance of originaive opinion and communicating accomplishments for comptrollers.

In Malaysia, several surveies have shown that accounting professions are still popular amongst the pupils ( Goon, 1975, Samidi and Tew 1995 ; Hashim et Al, 2003 and Said et al. , 2004 ) . For illustration: Goon ( 1975 ) found that the bulk of her respondents had chosen accounting as a profession. Samidi and Tew ( 1995 ) reported that the profession is still the most popular pick 20 old ages subsequently. Said et Al. ( 2004 ) found that the accounting profession ranked amongst the two most preferable callings given by the public and private university pupils.

Mladenovic ( 2000 ) found that Australian university pupils tend to comprehend accounting as chiefly numerical, nonsubjective and non-controversial, with an affinity towards mathematics and statistics.

Futhermore, surveies conducted in the USA, Canada and the UK ( Luscombe, 1988 ; Cohen & A ; Hanno, 1993 ; Fisher & A ; Murphy, 1995 ) show that many pupils form an feeling that 'accountants are dull, deadening figure crunchers. ' Furthermore, surveies in the US have found that secondary school pupils believe that a grade in accounting would be utile to person who wants disputing work ( 74 % ) , or to be President or CEO of a major company ( 81 % ) ( Hartwell et al. 2005 ) . Hartwell et Al. 's ( 2005 ) survey besides found that contrary to the stereotype, merely 39 % of respondents agreed

that accounting is predictable and stays the same, while 56 % indicated that accounting would be utile for person who wants assortment in work.

The accounting profession certifies certain degrees of expertness, instruction, and experience of single comptrollers and these enfranchisements can be added to their list of certificates so the client can anticipate a certain degree of competency. Accountancy is one of the prima professions, good sought after by many in society today. For some clip, as a calling, it has enjoyed a comparative advantage in footings of wage, prestigiousnes and occupation satisfaction.

## **Images of comptrollers**

Harmonizing to the AICPA ( 2000 ) , most pupils can non accurately depict the work of comptrollers, their duties or the chances available in the accounting profession. These positions are farther supported by a figure of writers. Cobbs ( 1976 ) belittles the profession for neglecting to inform the populace on what comptrollers do and inquiries the ability of the profession to make so. Parker ( 2000 ) blames the ineffectualness of professional organic structureadvertisementon the deficiency of apprehension, and Smith & A ; Briggs ( 1999 ) blame inaction of the profession on the hapless perceptual experience. McMurdy ( 1997 ) sees the linguisticcommunicationused by comptrollers as confounding the populace and maintaining them in the dark about what accounting is.

Assorted research studies have been conducted to find how scholars ( who are still at school ) and pupils ( who are analyzing at third establishments ) perceive the work of the comptroller. Students and scholars perceive

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comptrollers to be reasonably isolated ( Oswick, Barber & A ; Speed 1994 ; Coate, Mitschow & A ; Schinski 2003 ; Heiat, Brown & A ; Johnson 2007: 96 ) , tiring ( Cohen & A ; Hanno 1993, Hunt et Al. 2004 ; Byrne & A ; Willis 2005 ; Heiat et Al. 2007: 96 ) , formal and introspective persons ( Coate et al. 2003 ) , concerned with item ( Hunt et al. 2004 ) and compliance-driven ( Byrne & A ; Willis 2005 ) .

Research workers have besides concluded that small or no advancement has been made in chase awaying the uncomplimentary image of comptrollers, despite the profession 's representation of modern-day accounting patterns as dynamic environments necessitating people with creativeness and critical thought accomplishments ( as depicted in table 1 ) ( Fisher & A ; Murphy 1995 ; Mladenovic 2000 ; Coate et Al. 2003 ; Byrne & A ; Willis 2005 ) .

But other research, major accounting houses grew really rapidly during the 1980s. The proportion of university alumnuss come ining traineeships with accounting houses peaked at over 10 % in 1987 and is presently running at about 8 % .

In other several surveies in the instruction literature besides have identified that pupils shared a common belief that the accountingenvironmentoffer a higher supply of occupations compared to other countries of concern ( Paolillo and Estes, 1982 ; Wheeler, 1983 ; Cangelosi et al. , 1985 ; Kochanek and Norgaard, 1985 ) . Of effect, such belief plays an of import function in taking their calling determinations in accounting. Students frequently perceived accounting calling as extremely honoring in footings offinanceand position. These perceptual experiences frequently come from <https://assignbuster.com/the-accounting-profession-in-society-accounting-essay/>

their collegiate experiences. However, these perceptual experiences in world may non be true.

## **Percepts of Accounting Study at School**

The demand to enroll pupils interested in accounting as a profession, has led many research workers garnering grounds from high school pupils in relation to the exposure they have received about accounting. Byrne and Willis ( 2005 ) found that the chief factors to act upon secondary school pupils ' perceptual experiences of accounting were the survey of the topic in school, the factual media and their instructors. In the Byrne and Willis ( 2005 ) survey, pupils who were analyzing accounting at secondary school had a less negative image of accounting compared to those non analyzing accounting. However they still held a traditional position of the profession and of the work of the comptroller. Byrne and Willis ( 2005 ) found that the ground for the findings was due to the fact that the nature of the accounting teaching method being experienced by secondary school pupils was non significantly chase awaying preexistent negative perceptual experiences or giving them a realistic feeling of accounting patterns. In fact, anterior research undertaken by Byrne and Willis ( 2001 ) into the secondary school accounting class provides grounds that secondary schools emphasized mechanical clerking and appraisal advancing rote acquisition. This attack is likely to corroborate instead than dispute pupils ' traditional stereotyped position of the work of an comptroller and the profession. Byrne and Willis ( 2005 ) recommended that the profession should seek to act upon the content of the course of study in secondary schools to guarantee that the work of an comptroller is seen as less definite, precise and conformity driven and more interesting.

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These determinations are similar to that of Inman 's et al. 's. ( 1989 ) survey. Students ' experiences with uninteresting accounting coursework and rote acquisition may besides deter the best pupils from prosecuting an accounting major ( Inman et al, 1989 ) . Students are more likely to take an accounting major when they consider accounting interesting and gratifying ( Saeman & A ; Crooker, 1999 ) . Tan and Laswad ( 2009 ) showed that a higher proportion of accounting pupils than other concern pupils decide on their major prior to university survey. Therefore they recommended that the profession should advance the positive facets of an accounting calling non merely to pre-university pupils but besides to the populace, as this scheme would heighten the public profile of members of the profession. There is grounds to propose that the accounting course of study in secondary schools may be playing a portion in footings of pupils ' perceptual experiences of accounting, which may non need fully bespeak the true nature of the profession.

## **How to give a positive perceptual experience of Accounting to pupils?**

Harmonizing to Albrecht and Sack ( 2000 ) , one manner to increase the figure of pupils majoring in accounting would be for the profession to pass on more efficaciously what occupations comptrollers really perform. The broad scope of calling options available to comptrollers should be emphasized peculiarly to high school pupils and college fresher. By efficaciously passing on the properties of an accounting calling, the widespread perceptual experience that the work is deadening and uninteresting should be countered.

Another manner to successfully enroll pupils to accounting is to emphasize the long-run fiscal wages and occupations security of the profession. It appears that those who choose to major in accounting realize that possible exists for both a high income and stable employment in their callings. Given the recent negative imperativeness environing the accounting profession, layoffs and ethical jobs could finally turn out to be a much bigger barrier to choice of an accounting major that has traditionally been perceived. The horror narratives of failed callings of Anderson employees may good hold a negative impact on accounting registrations, because accounting big leagues place a high accent on occupation security. Finally, comptrollers must be wise and proactive in keeping the image of accounting as a esteemed profession. Failing to turn to the recent moving ridge of dirt is the wrong attack. They need to pass on that the accounting profession has historically been regarded as the prototype of ethical and professional behavior and that the profession will one time once more rise to the challenges it faces today.

The AICPA and some province societies have introduced several plans and selling stuffs designed to pull pupils to accounting. Employers and universities besides have a interest in pulling pupils to accounting callings.

L. Hartwell, S. Lightle and Maxwell suggested that enrolling attempts should get down early and should stress the ambitious nature of accounting work and supply specific information about get downing wages. Rather than avoiding treatment of the recent accounting dirt, recruiters should see utilizing them as an illustration of the critical function accounting dramas in our capital markets.



Change by reversing the diminution in accounting registrations will not go on overnight, and cannot be achieved in isolation. It will necessitate creativeness and cooperation among pedagogues and practitioners, and perchance alterations in the profession itself.

A particular undertaking force, Accounting Careers for Tomorrow ( ACT ) , have studied research and discussed the issues envioning steep registration diminutions in college accounting plans. They determined that the WICPA must make consciousness of calling chances among high school pupils, and instructors, every bit good as others. ACT has concluded that the WICPA and its members must bring forth these positive perceptual experiences about the profession:

- Accounting is a profession, not an occupation
- Accounting is interesting, disputing and strategic
- An Accounting grade is a good footing for a calling

### **Status of Accounting Compared with Other Professions**

Students are more likely to draw a bead on to a calling that is held in high regard by society. Irish high school pupils ranked comptrollers behind physicians, attorneys, tooth doctors and designers as professionals ( Byrne & A ; Willis, 2005 ) . However, in the Byrne and Willis ( 2005 ) study the existent ranking of accounting as a profession varied between accounting pupils ( who ranked it 5th ) and non-accounting pupils ( who ranked it 7th ) of 10 professional classes. In the US the Gallup Organisation ( 1991 ) reported that university pupils rated the profession last among the six professions of

jurisprudence, medical specialty, instruction, technology, fiscal planning and accounting.

In a New Zealand survey integrating the positions of high school instructors, the consequences showed that the accounting profession was of lower ranked societal position to the professions of jurisprudence, medical specialty and technology ( Wells & A ; Fieger, 2005 ) .

### **Percept on prosecuting professional scrutiny**

Some accounting pupils think that it is hard to go through the professional accounting programmes and merely few finalists passed with merely one effort ( Omar, 2009 ) . Jackling ( 2002 ) , examined Australian undergraduate pupils and discovered that skewed images toward the accounting profession has led to a failure in pulling pupils with creativeness and people-oriented personalities that are so urgently sought by the profession. Some pupils besides believed that professional accounting programmes are more hard than degree programmes, hence it is merely suited for those who are disciplined and extremely committed pupils and merely those with first-class cumulative class point sum ( CGPA ) can prosecute professional accounting programmes ( Omar, 2009 ) .

Some pupils feel that it is better for them to prosecute other programmes instead than professional accounting programmes because of these perceptual experience that they heard, chiefly about the figure of efforts that most of the professional accounting pupils needed to do in order to finish the professional survey ( Omar, 2009 ) . This shows that pupils still have bad perceptual experience toward the professional accounting programmes.

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Harmonizing to the survey by Mazlina & A ; Mohammad ( 2012 ) , questionnaires used was adapted by Omar ( 2009 ) . They were distributed to 120 concluding twelvemonth accounting pupils in a public university in Malaysia. Majority of the respondents were female pupils than male pupils and about 69. 9 % of the respondents were female and most of them ( 96. 2 % ) were individual. The survey suggested that near to 70 % of the respondents would wish to work instantly after graduation and another 30 % would wish to prosecute their surveies after graduation. This determination suggested the importance of accounting lecturers and practitioners, every bit good as the related ministry to actively advancing and supplying information about being the professional comptrollers to the pupils, in order to positively act upon their perceptual experience and pull them to be a professional.

### **Skill demands to be an effectual comptroller**

Professional accounting organic structures have long been recommending that in order to go a member of that profession, specific accomplishments should be acquired. Table 1 summarises the accomplishments demands of the undermentioned professional accounting organic structures: the Institute of Chartered Accountants in Australia ( ICAA ) , the Canadian Institute of Chartered Accountants ( CICA ) , the Institute of Chartered Accountants in England and Wales ( ICAEW ) , the American Institute of Certified Public Accountants ( AICPA ) , the New Zealand Institute of Chartered Accountants ( NZICA ) and the South African Institute of Chartered Accountants ( SAICA ) .

From this list of accomplishments demands ( table 1 ) , it can be deduced that comptrollers need to be effectual communicators, able to believe and

move strategically, able to work out jobs, be cognizant of concern issues and be professionally and technically competent. The accountant therefore demands to hold satisfactory interpersonal accomplishments because of the regular interaction with clients, to be originative in work outing jobs, doing determinations and planning for the hereafter and to be effectual communicators.

## **Key Factors Influencing Perceptions of the Accounting Profession**

The accounting instruction literature has suggested that pupils ' perceptual experience derived from assorted beginnings. Several factors have been linked to influences on a pupil 's calling pick in accounting. Harrison ( 1998 ) points out that it is non merely pupils ' ain perceptual experiences that affect their calling determinations but besides the perceptual experiences of those around them. The 12 factors that influenced the pupils ' determinations included calling chances, involvement in the topic, teacher, money, parents, enjoyment, old experience, life manner offered because of the calling, challenge, prestigiousness, utility in runing a concern, and other pupils.

Therefore pupils may be influenced by their instructors at school, parents, relations or friends. However, anterior research on the impact of instructors on a pupil 's determination to major in accounting has produced inconclusive and assorted consequences. Some surveies have shown that instructors do non play a important function in pupils ' pick of big leagues ( Cangelosi et al. , 1985 ; Gul et al. , 1989 ) . In contrast, other surveies ( e. g. Paolillo and Estes 1982 ; Hermanson and Hermanson 1995 ; Geiger and Ogilby 2000 ; Mauldin et al. , 2000 ) have found referents to hold an influence on pupils ' <https://assignbuster.com/the-accounting-profession-in-society-accounting-essay/>

determination to major. The grounds sing the influence of others, e. g. parents and friends is besides inconclusive.

Other surveies have besides examined pupils ' perceptual experience on the accounting calling. One issue being examined is the standards in taking accounting as a calling ( Carpenter and Strawser, 1970 ; Poallilo and Estes, 1982 ; Haswell and Holmes, 1988 ; Gul et al. , 1989 ; Carcello et al. , 1991 ; DeZoort et al. , 1997 ) . These surveies by and large found salary as one of the top five standards act uponing calling determination ( Carpenter and Strawser, 1970 ; Haswell and Holmes, 1988 ; Gul et al. , 1989 ; Horowitz and Riley, 1990 ) . Specifically, Carpenter and Strawser ( 1970 ) found that the top 5 standards are foremost, nature of work, followed by chances for promotion, get downing salary, working status and occupation security.

On the other manus, Haswell and Holmes ( 1988 ) found occupation handiness as the top standard, followed by chances of publicity, wage, occupation security and occupation satisfaction. Paollio and Estes ( 1982 ) found that handiness of employment as the most of import factor. Net incomes possible, old ages of instruction required, aptitude for the topic and instructor influence have a greater impact on calling pick for comptrollers compared to the other professional groups. Other surveies found that chance for advancement considerations to be act uponing the pick of a calling in accounting ( Trump and Hendrikson, 1970, Barnhart, 1971, Zikmund et al. 1977 ) . Shivaswamy and Hanks ( 1985 ) reported that occupation security is ranked first by accounting pupils in their survey.

Kim et al. , ( 2002 ) conducted a survey on concern big leagues ( e. g. accounting, finance, general concern, direction, selling, MIS/CIS, and dual major ) . They discovered that the top five grounds for taking a major were: involvement in a calling associated with the major, good occupation chances, `` good tantrum '' with respondents ' abilities, a desire to run a concern some twenty-four hours, and projected net incomes in the related calling. The least selected grounds for taking a major were the reputability of the major at the university, the sensed quality of direction, the parents ' influence, the sum and type of promotional information, and the influence of friends.

Yayla and Cengiz, ( 2005 ) determined five factors that play a function in taking an accounting calling. Those factors were pupils ' ain pick, household and close environment consequence, interesting profession, net incomes outlooks and calling chances.

In contrast, Dinc ( 2008 ) utilized factor analysis and determined the following seven chief factors in make up one's minding calling pick: great net incomes outlooks, calling outlooks, occupation experience, cognition and ability, household environment, societal position, and instruction environment.

Factors as recounted above approximately taking a calling in accounting field or non can be divided into two chief groups: internal and external factors. The internal factors may include personal abilities, mathematical competence, and involvement in the field. These factors do non depend on the pupils ' geographical country. Whereas the external factors, such as calling chances, degree of salary a calling offers and the societal position

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that the calling would supply are variable in assorted geographical countries. For illustration, while there are good occupation chances in one geographical country, another geographical country may non offer the same chances.

## **Gender Effects**

Turner & A ; Bowen ( 1999 ) examined the gender spread in pick of major, specifically, the under-representation of adult females in the scientific disciplines and technology in the ninetiess. They suggest that this phenomenon may be cultural and that gender and socialisation skills/expectations may take males and females to hold different career-choice penchants. The Taylor Report ( 2000 ) states that compared to college pupils in general, accounting big leagues are more likely to be female.

To the best of our cognition, merely two surveies to day of the month hold examined the chairing consequence of gender on the pick of business/accounting as a major. Leppel et Al. ( 2001 ) found that female pupils are more likely to be influenced in pick of major by a professional male parent, and that adult females from " high " socioeconomic backgrounds are less likely to major in concern. Both statements were found to be the opposite for males. Lowe & A ; Simons ( 1997 ) found that female accounting big leagues ranked " the built-in nature of the capable affair " more of import than did male accounting big leagues ; females in their survey placed a higher value on the " ability to win academically in the major, " in the major being " intellectually ambitious, " and in " coverage of interesting capable affair " in their determination to take a major. This was

non true for all female respondents, merely those taking accounting as a major.

Research into gender differences in perceptual experiences of comptrollers indicate that males, compared with females, perceive the accounting profession as more interesting and necessitating a higher grade of interaction ( Heiat et al. 2007: 94 ) .

There have been some alterations in accounting. In New Zealand, chartered accountant rank Numbers for adult females have been lifting and adult females are more often going national councilors and other office carriers. However, even in the Institute adult females have still to make a place of equality with work forces. Womans may hold been able to come in the accounting profession but that has non needfully intend that they have been every bit successful as work forces in busying all countries of the profession. Wootten and Kemmerer agreed with Ciancanelli et Al. ( 1990 ) and Welsh ( 1992 ) that " gender transmutation of a work force does non needfully intend gender transmutation within a work force " .

In New Zealand in 2001, Whiting & A ; Wright carried out a postal study of public comptrollers. From this they noted that merely five per centum of female respondents were spouses, or held tantamount senior places, while 40 per centum of male respondents were spouses. Womans in the United States were more involved in what was considered the less demanding and therefore lower paid scrutinizing work and less involved in the ego directed and independent countries of confer withing. They were non encouraged to set about high profile work or cover straight with clients. Whether or non

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these businesses required university degree makings, adult females have been over represented in them. In New Zealand in 1984, about 70 per centum of the full-time labor force in clerking and cashier-type businesses were female as were 90 three per centum of parttime bookkeepers and tellers. Today adult females are over-represented in the College of Accounting Technician within the New Zealand Institute. The bulk of New Zealand chartered comptrollers are still male and most accounting technicians are female.

In New Zealand throughout the 20th century, there have normally been a higher per centum of adult females than work forces in professional businesses. However, surveys of these figures have systematically revealed that the bulk of the professions have remained male dominated and adult females have concentrated in a few professional businesses. Davies and Jackson showed the significance of the rise in Numbers of adult females in these once male dominated professions in New Zealand between 1971 and 1991. For illustration, the legal profession had a 12 hundred per centum addition in adult females going attorneys in those twenty old ages, while dental medicine had an eight hundred and forty one per centum addition. Accounting 's addition was a somewhat smaller at seven hundred and 30 eight per centum. Many professions showed similar rises with most being of a proportion that was greater than one hundred per centum.