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Accounting faculties and the future of the profession

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Professor Anne Marie Ward and Professor Niamh Brennan, both Chartered Accountants, make the case for diversified accounting faculties with a healthy proportion of accounting academics who are professionally and doctoral qualified.

The accounting profession comprises three pillars: research, policy, and practice. Rigorous research should inform policy, which leads to best practice. Accounting faculties in higher education institutions can foster links between the three pillars. They prepare students for entry to the accountancy profession; hence, they have the potential to influence future practice. They also undertake research that can inform policy, including regulation of the profession, standard-setting, accounting education, and ethical approaches.

What is the problem?

Some argue that accounting education is too focused on techniques, rules, processes, and procedures, with insufficient focus on the ethical implications of accounting and its role in the economy and society. Some also argue that accounting research is too academic, unrelated to accounting practice and hence has little impact on policy formulation. In academic circles, this is referred to as the 'theory-practice gap'. We believe that having a healthy proportion of accounting academics with both a professional qualification and an academic qualification (i.e. PhD) within accounting faculties can help resolve these problems. As these individuals have experience in practice, they can better inform student learning. In addition, they are best placed to identify research areas that would benefit the profession. Unfortunately, however, the proportion of professionally trained and research-trained academics within accounting faculties across the globe is dwindling due to retirements and a dearth of accounting doctoral graduates.

University ranking metrics have not helped. For example, recruitment policies in the UK since the 1980s have largely ignored the professional accountant pool due to pressures from higher-education performance metrics. Research scoring systems, such as the UK Research Excellence Framework, feed into university rankings and influence university funding. Consequently, university managers focus on recruiting individuals with PhDs who are more likely to achieve the research outputs required to enable the university to move up the rankings and optimise funding. Therefore, there has been a shift to recruiting PhD graduates from other disciplines, for example economics and engineering, to accounting posts because of a lack of accounting doctoral graduates.

However, these individuals are not equipped to service technical accounting subjects. Thus, university managers employ non-research trained professional accountants as

teaching associates/part-time lecturers to service professionally accredited modules. As a result, accounting faculties in some universities comprise two cohorts: those academically trained (i.e. PhDs) and those professionally trained and qualified (e.g. Chartered Accountants). This dichotomy is concerning for the future of accounting as an academic discipline, as it serves to widen the gap between theory and practice. Indeed, academics argue that the future of accounting as a separate academic discipline is at a crisis point, with accounting departments increasingly seen as service providers ('cash cows') that help to finance other academic subject areas, as opposed to being a premium academic subject in its own right.

International interventions

Accounting profession representative bodies and policymakers in the US, England and Wales consider it strategically important to retain accounting as a quality academic subject area that actively produces research to inform accounting policy and practice. To this end, they have implemented strategies to reduce the shortfall of academically trained professional accountants. For example, the American Institute of Certified Public Accountants' (AICPA) Accounting Doctoral Scholars (ADS) programme manages the largest investment ever made by the accounting profession to address the shortage of accounting faculty members (www.adsphd.org). This started in 2008 when accounting firms, state CPA societies, the AICPA Foundation and others invested over \$17 million in the programme. By 2020, this funding had helped more than 100 CPAs transition into academic careers.

In the UK, the Institute of Chartered Accountants England and Wales, (ICAEW) Livery Charity provides four grants every year to successful ICAEW members who decide to pursue a career in academia and undertake doctoral studies. The total grant is £15,000 per successful applicant and is paid on a pro-rata basis throughout the doctoral programme.

The situation in Ireland

In Ireland, the links between the accounting profession and higher education institutions are strong and recruitment policies to accounting faculty posts have historically favoured professionally qualified candidates. Thus, most Irish higher education institutions have a diverse mix of accounting academics, including those who are:

1. Both professionally and research trained;
2. Research trained only; and
3. Professionally trained only.

This diverse range of backgrounds should foster communion between research, policy, and practice. However, increasing pressure on higher education institutions to meet the performance targets required under university quality ranking systems means that recruitment strategies now favour doctoral qualified candidates. Care is needed to ensure that the dichotomy observed in other countries does not become a feature of Ireland's accounting faculties. A balance between the three pillars is necessary to ensure that accounting remains an important academic subject in its own right within higher education institutions and not a cash cow that generates income to fund other academic subject areas.

Lecturers with both professional and academic skills can serve as a bridge between academia and practitioners and between non-professionally qualified, research-focused academics and teaching associates. Combining the skills of a professionally orientated faculty alongside relevant and high-impact academic research not only prepares students for the future of work as professionally trained accountants, it also contributes favourably to the development of accounting, business, society, and the broader economy. The UK Research Excellence Framework places a premium on research that has impact, where research can be proven to have informed society or business. This is more achievable if accounting faculties include professionally qualified individuals with links to the profession who are also research trained. Research has shown that university managers identify an ideal academic as someone who can produce "rigorous and high-quality research, to teach to a high standard, to fuse academic and professional knowledge and experience, and foster relationships with the wider accounting community".¹ This suggests a market for accounting lecturers that are both professionally and academically trained.

Why do professional accountants enrol for doctoral education?

Research has not examined what drives professionally qualified accountants, who have an established career, to start again at the bottom rung of the ladder in academia. In response to this gap in knowledge, we addressed two questions in our research:

- What motivates students to enrol in accounting doctoral programmes?
- Is there a difference in the motivation of professionally qualified and non-professionally qualified accounting doctoral students to enrol?²

To investigate these issues, we surveyed and interviewed 36 accounting doctoral students enrolled at higher education institutions on the island of Ireland. Of these, 13 were professionally qualified. In total, 14 reasons for enrolling for doctoral education were uncovered. Interviewees reported that their main motivations for enrolling for doctoral education were expectations of a career in academia, enjoyment of research or interest in their doctoral topic, the status of the PhD qualification and work-life balance. In terms of

differences, non-professionally qualified doctoral students were predominately motivated to enrol by the pursuit of knowledge and financial rewards.

In contrast, most professionally qualified doctoral researchers were initially motivated to enrol because of dissatisfaction with their professional careers. In the main, they felt they lacked autonomy over their work and work-life balance. Autonomy is a key psychological need. When individuals consider that they do not have autonomy over their life, it can affect their well-being and happiness. In addition, about half of the 13 professionally qualified interviewees felt that they did not have a sense of belonging in the profession. Those dissatisfied with their professional career anticipated that an academic career would enable them to have more autonomy over their work and work-life balance. In addition, they were attracted by the status of the PhD qualification, and most interviewees identified that they were interested in researching a topic in depth.

A career in academia?

We end this article with a call to Chartered Accountants wishing to change careers. If you enjoy learning new things, working independently, and being challenged, you will enjoy research. If you enjoy developing other people, you will enjoy teaching. Finally, if you are ambitious, you will be given plenty of leadership opportunities. Most lecturers are course directors or have other leadership positions from early in their careers. Therefore, if you are considering a career change, why not consider a career in academia?

¹Paisey, C., and Paisey, N.J. (2017). The decline of the professionally-qualified accounting academic: Recruitment into the accounting academic community, *Accounting Forum*, 14(2), 57–76.

²Ward, A.M., Brennan, N., and Wylie, J. (2021) Enrolment motivation of accounting doctoral students: Professionally qualified and non-professionally qualified accountants, *Accounting Forum*, 1–24.

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