

A Need to Bring Educators and Practitioners Together

Defining a problem is the first step in its solution. The authors identify the incongruence between academia and practitioners in the expectation that thoughtful professionals will help to deal with it.

A Need to Bring Educators and Practitioners Together

In a recent article appearing in *The CPA Journal*¹, Professor Frederick L. Neumann offers several suggestions for closer cooperation between accounting educators and practitioners. His article is well-founded and in light of recent events—including comments by the Commission on Auditors' Responsibilities² and appointment of an American Accounting Association "Schism Committee"³—quite timely. However, his article does not (nor was it intended to) offer evidence suggesting that an incongruence does indeed exist between accounting educators and practitioners.

The purpose of this article is to complement his efforts by offering evidence which suggests that an incongruence does exist and by explaining why this is so. The article covers the results of informal interviews with educators and practitioners and describes how change occurs within the accounting profession. Finally, the article reviews our explanation of the cause of the incongruence.

Evidence of Incongruence

Informal discussions with a number of educators and practitioners have revealed specific instances

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which suggest that they are consciously aware of an incongruence. Table 1 recaps these instances, all of which are discussed in this section.

One source of incongruence relates to practitioners' contention that many educators are too impractical and unable to serve practice effectively. For example, several practitioners noted that the research results published in academic journals are seldom relevant to immediate practice problems. Thus, they believe the academic community has failed to discharge its implied research function. In contrast, many educators believe practitioners have been resistant to innovative techniques and concepts evolving from academic research. They noted, for example, that the academic community supported adopting the all-inclusive concept of income recognition long before practitioners accepted it. Several educators also noted practitioner resistance to inflation accounting and innovative statistical sampling techniques.

A further concern of practitioners was that few educators (especially recent doctoral degree recipients) have had practical experience sufficient to appreciate significant practice problems. Some practitioners suggested that internships within public accounting firms, industry or government should be required of educators. However, in response, several educators commented that this view underscores practitioners' insensitivity to a major variable in academic promotion and tenure decisions, i.e., publishable research. Educators felt that internships could contribute immeasurably to their own understanding of practice; however, many younger untenured faculty noted that internships would

¹ Frederick L. Neumann, "Narrowing the Breach", *The CPA Journal*, October 1978, p. 40-44.

² The Commission on Auditors' Responsibilities, *Report, Conclusions and Recommendations*, New York: The Commission on Auditors' Responsibilities, 1978.

³ See: *The Accounting Review*, January 1978, p. 273.

TABLE 1
Illustrative Sources of Incongruence
Comments By:

Practitioners:	Educators:
<ul style="list-style-type: none"> • Educators are too impractical • Few educators have had sufficient practical experience to understand practice problems • Educators react too slowly to practitioner feedback about changing conditions in practice 	<ul style="list-style-type: none"> • Practitioners resist innovation • Practitioners are insensitive to the critical variables in promotion and tenure decisions • Practitioners do not realize that there are insufficient resources (i.e., time, manpower) to service all practice specializations in the classroom

detract significantly from the time available for research and, therefore, from career objectives.

A final major concern of many practitioners was that academic curricula are simply failing to keep pace with changing conditions in practice. In short, these practitioners were concerned that preprofessional accounting curricula are not adequately preparing students for the "real world." Practitioners seemed to believe that this concern was a major motivator for their interest in and financial support for professional schools of accountancy. In response, many educators argued that there are insufficient resources of time and manpower within academia to service all professional practice specializations. They argued that in any department or school of accountancy there are limited classroom hours and a limited faculty. Thus, accounting education can service only a limited number of practice specialties.

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The above discussion underscores the fact that educators and practitioners do perceive an incongruence. The following section describes how change—a fundamental cause of incongruence—occurs within the education and practice environments of the accounting profession.

Change Within the Accounting Profession

Figure 1 depicts a simplified view of the interdependence of society, accounting education and practice. The major point is that educational institutions and practicing professionals continually experience change as a result of changes in societal needs. To be effective, practitioners must perceive and react to society's changing needs and, in turn, educators must perceive and react to practitioners' needs.

'... many educators believe practitioners have been resistant to innovative techniques and concepts evolving from academic research.'

Practitioner change to societal needs can be traced to a number of causes, including:

- Changes in the nature of public and private sector activities and transactions;
- Changes in the legal environment and their effect upon public and private sector entities;
- Changes in accounting and reporting requirements dictated by private sector authoritative accounting bodies (e.g., the FASB) and public sector regulatory agencies (e.g., the SEC).

'... many educators argued that there are insufficient resources of time and manpower within academia to service all professional practice specializations.'

Thus, accounting practitioners are continually modifying their activities and services in an effort to react to society's changing needs.

Similarly, educators must react to practice changes through, for example:

- Change in accounting curriculums;
- Change in course content;
- Responsive applied research.

As practitioners strive to meet new demands placed on them by society, educators must be cognizant of these changes to prepare preprofessional candidates for the profession. Thus, educators rely on feedback from practitioners in order to react to chang-

FIGURE 1
Interdependence of
Society, Accounting Education and Practice

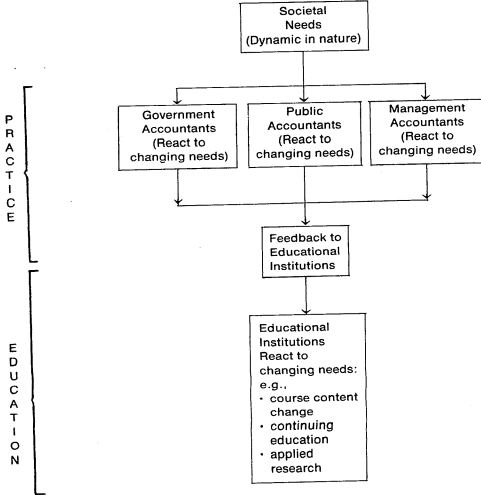
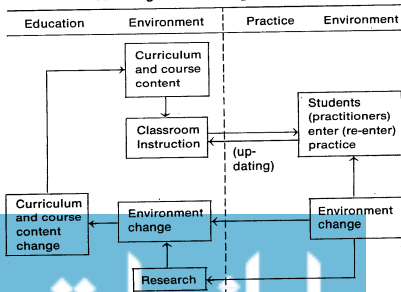


FIGURE 2
Impact of Practice
on Change in Accounting Education



ing practice needs. Frequently, the feedback mechanism consists of informal conversations or professional seminars sponsored by public accounting firms, industry groups or governmental units.

The discussion thus far has underscored the interrelationships between society, educators and practitioners. However, a more detailed analysis of the impact of accounting practice on changes in educational curriculum and course content is necessary.

Figure 2 depicts the impact of accounting practice on change in educational curriculum and course content. Per the illustration, educators develop both curricula and courses to instruct students who may subsequently enter practice. In turn, and as a result of change in the practice environment, practitioners may re-enter the education environment for continuing education seminars sponsored by colleges and universities or, for example, the AICPA, state CPA societies, or the National Association of Accountants.*

Inspired by change in practice (e.g., authoritative pronouncements, emerging user needs, etc.) and applied research, education experiences change and this is presumably incorporated into curricula and course content. Thus, change in education may be either externally induced by practice or internally induced by research.

The relationships discussed in this section and depicted in Figures 1 and 2 represent the input to explain, and provide a guide for narrowing, the perceived incongruence between accounting educators and practitioners. A proposition derived from these relationships follows.

Why an Incongruence? . . . A Proposition

The implications of the processes of accounting change described above are that:

- Both the education and practice environments are dynamic rather than static in that each changes over time; and
- A feedback process exists from the practice environment to the education environment.

The impetus behind the incongruence can be explained by these implications. Each environment is dynamic and therefore changes over time. However, the environments must remain compatible or integrative if education is to serve practice effectively. Thus, a dilemma exists, the magnitude of which can be conceptualized in the form of a proposition derived from these

relationships as follows:

The greater the *rate of change* in the education and practice environments, and the greater the *uncertainty of information* about conditions in either environment, and the greater the *time span of feedback* from the practice to the education environment, then the greater the incongruence between accounting educators and practitioners.

Hence, the hypothesis is offered that the rate of environment change, the uncertainty of information about either environment, and the time span of feedback from practice to education are major determinants of the perceived incongruence. While these variables may not be collectively exhaustive, they are nevertheless important determinants of the perceived incongruence.

If uncontrolled, each of the variables noted could prove dysfunctional to the compatibility of accounting educators and practitioners. The *rate of change* in the education and practice environments has been staggering. Consider, for instance, the significant increase in accounting enrollments during the past decade and the resultant time demands placed on accounting faculty. Consider, also, the increased volume of authoritative pronouncements which have generally served to narrow reporting alternatives, yet nevertheless have increased the complexity of accounting practice. Indeed, the rate of change has served to widen the communications gap between educators and practitioners.

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The *uncertainty of information* about conditions in either environment is unfortunate yet understandable. For example, the advancement and promotion schemes of academia and practice alike compensate only indirectly for contributions to other than one's own environment. Practitioners are rewarded for practice efficiency and competent professional judgment relative to solutions for user problems. In contrast, educators (whether one thinks this *should* be so or not) are rewarded primarily for completed and published conceptual and/or empirical research. Thus, given the prevailing reward structure in academia, practice oriented

* Organizations such as the American Institute of Certified Public Accountants, state CPA societies and the National Association of Accountants are not generally recognized as members of the education environment. Nor do we think they should be. However, we have included their continuing education activities within the education sub-environment since many educators act as coordinators or instructors for these seminars.

pragmatic research is often viewed by educators as an inefficient path to promotion and tenure. Some effort has been made toward reducing the uncertainty of information in each environment by the temporary entry of educators into practice and of practitioners into education. However, although it is practiced, these exchanges are nevertheless rare.

‘ . . . education cannot serve practice effectively if feedback is insufficient or nonexistent.’

In general, the feedback from practice to education about the preparedness of entry-level professionals and emerging practice problems has been informal at best. Such informality is both inefficient and ineffective for shortening the *time span of feedback* from practice to education. As discussed earlier, several practitioners have suggested that the academic community has not reacted in a reasonable time to their changing needs. The lack of a central body to receive and react to practitioner feedback may be a cause of the problem. Recent financial support by practitioners for professional schools of accountancy and the recent organization by educators and practitioners of the Federation of Schools of Accountancy may be important steps toward (1) promoting communication between the two environments and (2) thereby reducing the time span of

feedback. Clearly, education cannot serve practice effectively if feedback is insufficient or nonexistent.

Previously, each of the above underscored variables was identified as a major determinant of the perceived incongruence between educators and practitioners. The observations suggest that, while progress may be underway, current trends have been dysfunctional to the compatibility of educators and practitioners.

Summary and Conclusion

The proposition raised in this paper is that the perceived incongruence between accounting educators and practitioners can be traced to the rate of change in their environments, the uncertainty of information about conditions in either environment, and the time span of feedback from practice to education. Rather than an answer, the proposition represents an explanation of the problem. Identifying the problem is fruitful for two reasons. First, it provides operational definitions for research into the magnitude of the incongruence. Second, it provides definition of the variables to be controlled if education is to serve practice effectively.

We urge educators and practitioners to consider the issues raised in this article and to actively pursue an orderly solution. To paraphrase Robert Frost in the context of these issues: We (educators, practitioners) should not build walls around our “fields” without first asking what is being walled in or walled out. Ω