

Enhancing Teaching Effectiveness of Financial Accounting to Chinese Executives—A Generalized Approach with Case Study and Assessments

David G. DeBoskey

ABSTRACT: International executive education is becoming a material source of revenue for universities, driven primarily by increased student demand and profit-seeking objectives. Educators who are hired to teach in specialized programs are under pressure to provide world-class content that is practically oriented to the daily work life of the executive student. Anecdotal evidence suggests a shorter half-life for executive educators who fail to make concise connections between practice and theory. For these reasons, the course content of a financial accounting course offering both traditional accounting theory and relevant skill development via a supplemental case tool that emphasizes financial statement analysis including (1) the ability to locate key financial information, (2) calculation of key fundamental ratios, (3) interpretation of key financial components and note disclosures, and (4) the ability to understand industry trends and norms is crucial to the provision of relevant executive education. Learning outcomes measuring perceived beliefs of 79 executive students in three different financial accounting classes in the People's Republic of China are presented. The results strongly indicate that the perceived beliefs are statistically different in pre- and post-assessments. This generalized approach can ameliorate the delivery of executive education and offer an alternative teaching pedagogy for an international executive M.B.A. financial accounting module that favors a financial statement analysis approach over the traditional transactions-based model.

Keywords: financial accounting; international executive education; financial statement analysis; classroom assessments.

INTRODUCTION

International executive education is burgeoning in the U.S. as schools are expanding into the Pacific Rim, Latin America, and Europe. The growth of international executive programs has outpaced those in the U.S. market. In Asia, 91 percent of the member programs have commenced in the last 16 years, compared to 83 percent for Latin America and 78 percent for Europe. In the U.S. only 60 percent of member programs have started over the same 16-year period (Executive M.B.A. Council 2006). Given this growth, the

David G. DeBoskey is an Assistant Professor at San Diego State University.

I thank Chee Chow, Robert Capettini (for use of the generalized case study that I adopted for this study), and an anonymous referee for helpful comments and suggestions. I also thank workshop participants at the 2008 American Accounting Association Annual Meeting held in Anaheim, California, and the 2009 Southern California Accounting Research Forum (SCARF) held at California State University at Fullerton.

demand for educators in specialized programs has dramatically increased at many institutions. Many educators view this teaching as significant and lucrative and the competition to teach in these programs is fierce. Often, those that are selected appear motivated by the attractive pay, exotic travel opportunities, and prestige associated with this instruction—bragging rights. However, many educators soon realize that the needs of executive students are varied and complex. As such, they soon discover that the cookie cutter approach to teaching undergraduate and even graduate students is not working with their executive student contact.^{1,2} In conducting a varied and extensive literature review on whether there is empirical evidence on teaching a financial accounting course in either a regular M.B.A. or specialized M.B.A., I found very little written and espoused on the topic of effective executive education course content and teaching outcomes that would be potentially useful to the burgeoning demand that is developing as more and more schools are offering international M.B.A. programs. Admittedly, many cases claim to be suitable for executive audiences (i.e., Harvard, Darden, et al.).³

The extant accounting case research has been conspicuously silent on the effectiveness of executive teaching.⁴ To my knowledge there is no specific research paper and/or case that either explicitly discusses how to implement an effective course module for an E.M.B.A./I.E.M.B.A. (“executive”) introductory financial accounting course or that provides specific measurement outcomes for an executive introductory financial accounting course.⁵ This paper extends the extant accounting case research by offering specific guidance and tools for executive teaching and has three specific contributions: (1) to offer a generalized approach for teaching an international executive financial accounting class, (2) to offer a supplemental learning case designed to augment executive students’ perspectives of understanding and assessing firms’ financial statement status that has been deployed in three international executive classes in the People’s Republic of China, and (3) to provide preliminary student assessment outcomes that offer support for this general approach to

¹ This personal reflection is supported by my own observations and experiences as a former E.M.B.A. graduate and finance executive. It is also based on 5+ years of anecdotal evidence as an instructor and visiting professor for two nationally ranked I.E.M.B.A. programs. In addition, former and current colleagues who have shared unsuccessful teaching experiences in an I.E.M.B.A./E.M.B.A. program provide more credence to this reflection. It appears that the patterns and characteristics of the successful executive educator is an interesting study in itself and is outside the scope of the current paper.

² Examples of a cookie cutter approach include (1) the use of publisher slides without regard to the applicability and generalizability of that topic to the executive student, (2) the use of basic cases, (3) lack of case work, (4) selection of inappropriate textbooks that are either too basic or too complex, and (5) lack of links to the “real world” and an unnecessary fixation on theory without providing meaningful links in an industry context. For example, the discussion of Black-Scholes can be based on theory and math where educators could flaunt their mathematical prowess in decomposing this model (i.e., impractical). Conversely, it can be described as a tool that management uses to determine the fair value of the stock options that have been granted, which must be reported as an expense on their firm’s income statement. The real tangible benefit to the executive student may be to go through an Excel demonstration where various inputs are altered—such as volatility, option term, exercise price, risk-free rate, dividend yield—and have them visually observe how the call option value changes as these inputs change. This provides them with a useful context for which to understand the impact and managerial subjectivity of this topic (i.e., application).

³ Since many M.B.A. programs admit experienced students, this distinction may be viewed as a bit artificial. However, the work-experience gap is much larger on average for a specialized executive M.B.A. program than for a regular M.B.A. program where many students have been working for only 1–5 years. In the current sample the mean number of years worked is 13.25 years.

⁴ There is an extensive management research stream that examines the inadequacies of the link between university/research and industry/practice (Bennis and O’Toole 2005; Mintzberg 2004; Monks and Walsh 2001; Pheffer and Fong 2002; Tushman et al. 2007).

⁵ In reviewing the websites and course offerings for 30 E.M.B.A./I.E.M.B.A. programs, all 30 offer a financial accounting module.

teaching an executive introductory financial accounting class. Case model solutions, implementation steps and a sample listing of comparison firms are provided to aid in the deployment of the case tool.

Theoretical Rationale and Motivation

The extant literature has extensively established the disconnect between research and practice (Pheffer and Fong 2002; Schelfhaudt and Crittenden 2005; Tushman et al. 2007). Schelfhaudt and Crittenden (2005) offer the characteristics of an executive program that include both an integrated and results-oriented approach in order to resemble real business practice. The synergy between practice and research that was apparently so important during the late nineteenth and early twentieth century has dissipated. Monks and Walsh (2001) support this contention by arguing that such an approach is appropriate for the working manager who possesses rich experience that bolsters the overall learning environment. Cruikshank (1987) proffered the notion that systematic study could inform practice and practice could, in turn, inform systematic study. Largely, this link has gone by the wayside. This requires young scholars to develop overly painstaking research paradigms that demand a greater emphasis on theory at the expense of producing research that is rich in practical application.

Tushman et al. (2007)⁶ proffer that executive education should provide a greater link between practice and theory, and in this light I offer a generalized approach to teaching financial accounting to executives that emphasizes a financial statement analysis approach rather than the more traditional transactions-based model. Consequently, this augments practical applications and is consistent with the guidance in the extant management research literature calling for greater congruence between practice and theory. The following section discusses a generalized approach to teaching an introductory financial accounting course. The third section introduces a basic learning case tool, learning objectives, and teaching methods. The fourth section presents the student assessment outcomes obtained from following this generalized approach. The fifth section offers conclusions, limitations, and avenues for future accounting case research that emphasizes executive education with an accounting context.

EXECUTIVE FINANCIAL ACCOUNTING COURSE MODULE OVERVIEW

Numerous questions arise when we think about the specific learning outcomes we want to achieve when teaching an executive audience. Where does one begin when teaching an executive financial accounting course, and second, how do we make it relevant? Do we focus on debits/credits? Do we focus on t-accounts or the railroad-tie approach to account analysis? Do we care about the executives' journal entry acumen? Do we care that they know journal entries have three legs (i.e., debits, credits, and explanations)? Do we get into the details of estimating bad debts? Do we really need to demonstrate the journal entries for a perpetual versus periodic inventory system? Do we teach how to prepare bank reconciliations and explain that we only prepare adjusting entries for the book side reconciling items? Do we teach them sum of the year's digit accelerated depreciation? Do we teach them effective interest method for bonds and leases? Do we teach the extensive journal

⁶ This generalized approach is a suggested approach only. Space limitations prevent an exhaustive discussion of the specific teaching approach. This generalized approach is offered to guide the first-time executive educator, the educator looking to refine their executive teaching skills, or an educator looking for an alternative executive teaching pedagogy.

entries for stock dividends and stock splits? Do we teach them how to prepare a multiple-step income statement? Do we teach them how to prepare a statement of cash flow? The answers to these questions may be apparent to an educator that has realized great success in the classroom with executive audiences. However, to an educator that hasn't been as fortunate or is seeking an alternative approach, the answers might not be as clear.

Generalized Approach to Teaching Basic Financial Accounting to Executives

Table 4 shows an average Likert score of 4.57 (based on a five-point Likert scale where 1 is unimportant and 5 is very important) on a recently conducted survey item that asks an executive to rate the importance of an executive financial accounting course to focus on interpretation and analysis (application) rather than debits/credits (preparation). The survey result supports the contention that executives prefer to learn more practical skills such as financial statement analysis and interpretation rather than focusing on debits/credits. If there were a companion version of the Hippocratic Oath for executive educators, it may read as follows:

I WILL FOLLOW that method of pedagogy, which according to my ability and judgment, I consider for the benefit of my executive student and abstain from whatever is too painstaking or impractical. I will neither lecture nor administer any extraneous lecture, homework, project, or exam to any executive student, even if asked, nor counsel any such thing, and show the utmost respect for every executive student from enrollment to graduation and reject spontaneous pedagogy that is so deliberately meticulous that it takes a unique executive student interaction and squanders an opportunity for a practical and applicable exchange. (amended current M.D. Hippocratic Oath; emphasis added)

The generalized approach suggested by this paper begins with a basic premise—debits and credits are extraneous, and by default so are tedious journal entries and unnecessary cumbersome account analysis. The following generalized approach has been proven effective in ensuring that the executive students' needs are adequately satisfied.

First, beginning the course with a brief introduction to debits and credits is helpful, as well as a review of some basic accounting terminology. There is no need to spend extensive time on mastering the art of increase/decrease. This skill set does not appear to resonate with the executive student and s/he rarely finds it beneficial. A few brief exercises that drill the concept of increase/decrease are required.⁷ However, it is useful to move quickly into the structure and general purposes of the "Big 3" financial statements: balance sheet, income statement, and statement of cash flow.

Second, introduce the executive to a modified version of the basic accounting equation. This equation focuses on investments and financing decisions that executives and managers are familiar with in navigating the financial maze of their current employers. Executive students intuitively understand investment decisions and are intrigued when you link an asset investment to a choice in capital structure to fund these investments. Figure 1 presents the executive style accounting equation.

Panel A presents the basic accounting equation that is routinely taught to undergraduates. However, to the executive it is a fairly useless equation. Panel B presents the executive accounting equation that is presented in two levels. The first level shows that

⁷ Using a case exercise such as Music Mart can reinforce the mechanics of debits and credits. I also use a fully automated Excel worksheet that allows student to do journal entries directly in Excel. Executive students seem to really like this option.

FIGURE 1
Executive Accounting Equation

Panel A: Basic Accounting Equation

$$\text{Assets} = \text{Liabilities} + \text{Stockholders' Equity}$$

Panel B: Executive Accounting Equation

LEVEL I:

$$\text{Investing Activities} = \text{Financing Activities}$$

LEVEL II:

$$\text{Investments} = \text{Creditor Financing} + \text{Shareholder Financing}$$

companies engage in two primary activities: investing (left side) and financing (right side). The second level decomposes investing into specific investments (left side) that can be financed with specific financing options (creditor financing versus shareholder financing). These are the building blocks for executives to understand the capital structure choices available to management.⁸

Third, after this introduction it is useful to adopt one comprehensive and coherent set of financial statements that you continue to drill throughout the course to demonstrate all learning outcomes.⁹ It is helpful to introduce the student to the general layout of the balance sheet, including (1) that it is prepared in order of liquidity, (2) that it is prepared for a specific date (snapshot), (3) that it is used primarily to assess liquidity and solvency, and (4) that it has limitations (provides static measures). At the same time, an introduction to the statement of operations including its key components: revenue and expenses. It is helpful to spend time to discuss revenue recognition issues, as these are potentially important issues to executives.¹⁰

Fourth, the focus of the course can shift to introducing the concept of financial statement analysis (i.e., horizontal versus vertical analysis), including (1) liquidity and its key ratios, (2) solvency and its key ratios, and (3) profitability and its key ratios. A lecture that introduces specific tools such as the DuPont model seems appropriate. Specifically, the key take-away for executives is that DuPont is a focusing device. DuPont allows the executive to grapple with what s/he can and cannot affect. This is accomplished by decomposing DuPont into both a margin and turnover component.¹¹ As an added bonus the effect of

⁸ Generally, a case is issued that covers capital structure choices. A good case to use to demonstrate various capital structure choices is a case called Innovative Engineering. I will provide in Appendix B a listing of all cases suggested for implementing this generalized approach to teaching an executive financial accounting class.

⁹ I use a financial statement set from Campbell Soup Company that has detailed analysis including common-size and horizontal analysis as well as decompositions of inventory, leverage, and all major ratio groups.

¹⁰ Executives appreciate real-life case anecdotes. Discussion of famous SEC enforcement actions that deal with revenue recognition fraud cases (they are too numerous to list here) such as Cendant and MicroStrategy are useful vehicles for lively discussion.

¹¹ Demonstrating that a grocery store is perfectly comfortable with a profit margin of 1 percent or less given its high inventory turnover (e.g., Wal-Mart). A capital-intensive company such as an automobile manufacturer needs to generate a high margin because of the huge capital investment, thus restricting its asset turnover.

basic leverage¹² is introduced without getting into the decomposition of leverage into common and earnings leverage. This more sophisticated presentation of leverage is saved for a special lecture when the course moves to the topic of liabilities.

Fifth, shifting the focus to current assets is appropriate. The main areas introduced are inventory and the operating cycle. Here, a preferred approach is to introduce relevant accounting issues based on course demographics.¹³ Inventory techniques including “first in first out” (FIFO) and “last in first out” (LIFO) are first introduced. It is important to stress that these methods result in a balance sheet effect (ending inventory values) and an income statement effect (cost of goods sold). It is very helpful to use a case study to demonstrate the important management considerations of maintaining inventory.¹⁴ Once a proper background is established in inventory methods, having the executive get comfortable with the disclosures surrounding firms’ inventory policies is a useful exercise. By referring to the sample financial statements and having students find the ending inventory and cost of goods sold bolsters their confidence. Finally, the impact of FIFO and LIFO on return on investment (ROI) is an important learning demonstration. Executives need to grasp the impact of using one method over the other. For instance, the executive should be proficient in theorizing the impact of FIFO on the balance sheet, including that ending inventory values will be higher (denominator of ROI) and cost of goods sold is lower (numerator of ROI), resulting in higher profits.¹⁵ In addition, the discussion of a LIFO reserve and LIFO liquidation are an important concept for the executive student.¹⁶

The operating cycle should be covered in detail and executives should become very familiar with its calculation. The executive should understand that the objective function is to minimize the operating cycle by minimizing days in inventory and days in receivable and maximizing days’ purchases in accounts payable.¹⁷

Very little emphasis is placed on accounts receivable and bad debt estimation methods. Rather, drilling your model financial statements and pointing out to the executive student that accounts receivable are generally presented at their net realizable value, and that detail regarding bad debt estimation can be found in the notes to the financial statements. Reviewing the note disclosure and fully explaining the impact of accounts receivable on the operating cycle provides a relevant approach to teaching this aspect of the course.¹⁸

¹² In teaching executives in the China market (especially national Chinese executives) it is helpful to explain leverage as borrowing from the bank or simply the use of “bank loans”; getting in too much detail regarding bonds appears to not be that useful at this early stage of the course. Also in other parts of the world like Southeast Asia, students use the term “gearing” to refer to leverage or, more specifically, debt/equity ratios.

¹³ The focus is based on studying the backgrounds of your executive students.

¹⁴ A very good case that deals with FIFO and LIFO, as well as switching inventory methods to avoid debt covenant violations, is Summit Distributors A and B, a Harvard Case Study. This case can be done in one 2–3 hour lecture.

¹⁵ Under the assumption of rising prices.

¹⁶ A useful tool is to demonstrate to the executive student that it is possible to reconcile from $COGS_{lifo}$ to $COGS_{fifo}$ by adding (subtracting) the decrease (increase) in the LIFO reserve. This should be reinforced by reviewing note disclosures where this learning outcome is visually inspected. The executive student should understand that LIFO liquidations can result in unexpected gains resulting in more taxes and less cash flows.

¹⁷ There is a very useful article, A Cash Conversion Cycle Approach to Liquidity Analysis, by Verlyn Richards and Eugene J. Laughlin. This serves as an excellent background reading and can be used to stimulate class discussion on managing the operating cycle. This article is high in practical application and low in painstaking transaction detail.

¹⁸ To enhance applicability of the receivables topic, executives can benefit greatly by understanding that accounts receivable can be used to generate cash via factoring of accounts receivable. An executive will have a greater probability in his/her career to be faced with such a decision than estimating bad debt by the percentage of receivables method.

Sixth, the course shifts to long-term assets. Very little time is spent on specific accounting for depreciation. It is important for executives to understand the differences between straight-line and accelerated depreciation. However, spending class time on journal entries and the thorough accounting under the various depreciation methods is not highly important to the executive student. To enhance the significance of the depreciation discussion, it is useful to drill the model financial statements you adopt and to demonstrate the disclosures provided on fixed assets in the notes to the financial statements.¹⁹ Intangible assets are discussed and defined including the general accounting approach.²⁰

Seventh, focusing on liabilities, it is useful to focus on the basic mechanics of bonds as well as the impact of discount and premium on interest expense. Applying the effective interest method is important theoretically to the executive. What's especially important is the key difference between operating and capital leases and the impact that each has on either the balance sheet or income statement.²¹ Discussion of deferred revenue is relevant to executives, especially those in industries where revenue deferral is a routine practice. Linking deferred revenue to contracting is an important take-away for the executive.²²

Eighth, very little time is spent on stockholders' equity transactions. For instance, the accounting for small versus large stock dividends is not highly relevant. Rather, the executive should fully grasp the reasons a company would desire to declare a stock dividend over a cash dividend.²³ It is useful to discuss treasury stock and to discuss the signaling effect of buying back stock. The discussion of EPS effects of treasury stock is useful, including the accretive effect of buying back stock on EPS via a decrease in the denominator weighted average shares outstanding. Discussion of the cost method versus par value method of treasury stock is ignored.

Finally, the last part of the class is spent on understanding the cash flow statement with special emphasis on cash flow adequacy and interpreting key trends.²⁴ A brief discussion ensues on the two methods: indirect versus direct. Possible reasons why a company would prefer to use the indirect to the direct method are discussed. This includes the potential competitive harm that could result from the disclosure of key cash flows such as cash paid to suppliers (could result in competitors backing into the cost structure), or cash paid to employees.

This generalized approach to teaching an executive financial accounting class emphasizes a financial analysis approach over the traditional transactions-based model. The assessment results demonstrate that the executive student responds well to this overall approach. Measurement of overall learning outcomes in a pre- and post-assessment demonstrates statistically meaningful outcomes.

In the following section I provide a specific case tool that is used to reinforce this overall teaching approach.

¹⁹ An excellent article on asset management is *New Approach to Asset Management*, by Allen H. Seed III (1983). This article is highly relevant for executives.

²⁰ It is explained to the executive that intangibles are reviewed for impairment at each balance sheet date. A case entitled "AOL Time Warner: Goodwill Impairment," by Revsine et al. (2004), is deployed in a classroom discussion to demonstrate the potential negative impact of overvalued goodwill on firms' statements of operation.

²¹ A useful case study for international students and teaching is a case called "Tanaguchi." This case offers a thorough comparison of accounting differences between a U.S. and Japanese company. There is a heavy emphasis on the differences in accounting for leases in both countries from both a lessor and lessee perspective.

²² A useful Harvard case study is "Microsoft's Financial Reporting Strategy." This case offers a rich analysis of reporting issues surrounding deferred revenue.

²³ If a dividend expectation has been established, then it may be beneficial to offer the stock dividend to satisfy investors' expectations.

²⁴ To stress the interpretation of the cash flow statement, a case entitled "Zhang" is used to demonstrate the analysis and interpretation of cash flow information.

CASE LEARNING OBJECTIVES AND IMPLEMENTATION GUIDANCE

Supplemental Case-Learning Tool—Company Comparison

In this section, I outline a supplemental case-learning tool that is assigned as a project that executive students complete in teams of one or two. Appendix A presents the detailed learning tool including all of the specific requirements that each learning team needs to follow in order to properly complete the assignment. An overarching goal is to allow the executive to complete a highly pertinent assignment that provides an opportunity to complement the generalized approach deployed in teaching the executive financial accounting course. Executive students are generally allowed to choose their own comparison firms. However, they must comply with specific constraints outlined in Appendix A. For example, selected companies must have been profitable for both comparison periods. Table 2 provides a useful list of comparison firms that have been vetted for compliance with the various constraints. This list can be used to assign sets of students to, or students can be allowed to select, their own set of comparison firms. The latter requires more monitoring and pre-approval discipline because of the importance of meeting the required constraints of the case tool.

Learning Objectives

The primary purpose of the learning case is to develop skills in analyzing, interpreting, and applying financial accounting knowledge in a managerial context. Case requirements, which are directly linked to the learning objectives, demonstrate to the executive student a thorough understanding of how to go through a meaningful financial analysis utilizing the skills developed throughout the financial accounting module. Further, the learning case tool provides an opportunity for the executive to apply industry trends and norms in understanding the underlying significance of the analysis. Specific objectives are to provide a broad understanding of liquidity, solvency, and profitability across firms and industries, and the effects of varying accounting policies are highlighted and interpreted. The case can be tweaked for the specific audience and learning objectives can be added or removed depending on the demographics of the audience. Overall, the learning objectives should be homogenous across audiences, so the general objectives are presented in Figure 2.

Implementation Guidance

The case is best used as a supplementary tool in conjunction with teaching a class that emphasizes application over detailed transaction analysis, such as in an executive financial accounting course or other M.B.A. or specialized M.B.A. program. In addition, the case can be used in a financial statement analysis elective course. The learning case tool is best if given out at the beginning of a course even if students are not yet fully familiar with the methods of financial statement analysis. By setting deadlines for the students to submit hardcopy financial statements for their comparison firms, the instructor can get comfort in students' progress. Students generally get stuck on the following issues: (1) one firm has a fiscal year and one firm has a calendar year, (2) comparison firm has a loss, and (3) how to find the industry comparisons. For the first issue, as long as both companies have a 12-month operating period then comparing a fiscal year to a calendar year is acceptable, although the years should be the same for both (e.g., a fiscal year firm that begins on 3/1/06 and ends on 2/28/07 would be best compared to a calendar year firm ending on 12/31/06). For the second point, students must not use a firm with a loss year. For the third point, generally students are instructed to use the two-digit SIC code for industry comparison purposes. Dun & Bradstreet's industry and norms reports allow students to select industry groupings by either two- or four-digit SIC codes.

TABLE 2
Listing of Comparison Firms

The table shows a listing of comparison firms that meet the various requirements of the learning case tool and that allow for a meaningful and thorough analysis.

<u>Companies to Compare</u>	<u>Student #1</u>	<u>Student #2</u>	<u>Years Compared</u>	<u>Countries</u>
Ford Motor versus Honda Motor				Japanese versus U.S.
NetEase.Com versus Yahoo.Com				Chinese versus U.S.
Caterpillar versus Komatsu				Japanese versus U.S.
John Deere versus Kubota				Japanese versus U.S.
Forest Laboratories versus Gedeon Richter Ltd.				Hungary versus U.S.
Agco versus First Tractor				Chinese versus U.S.
Nokia versus Motorola				Finland versus U.S.
Wendy's Intl versus Jollibee Foods				Philippines versus U.S.
Anheuser Busch versus Asia Pacific Breweries				Singapore versus U.S.
Yahoo Inc. versus Sohu.Com				Chinese versus U.S.
ConocoPhillips versus PetroChina Co.				Chinese versus U.S.
General Motors versus Toyota				Japanese versus U.S.
China Shenhua Energy Co. versus Peabody Energy				Chinese versus U.S.
Nucor versus Sail				India versus U.S.
AES versus Datang				Chinese versus U.S.
Dell versus Lenovo				Chinese versus U.S.
Southwest versus Air Asia				Malaysia versus U.S.
Harley Davidson versus Yamaha				Japan versus U.S.

Teaching Methods

One instructor has used this case as an outside-of-class assignment at a large, nationally ranked public university for 79 executive M.B.A. students for three classes inside the People's Republic of China. The case has only been administered to international executive students who are concurrently taking their first financial accounting class.²⁵ The case

²⁵ Given that executive students have very similar needs, I argue that this research generalizes to U.S. executive students as well. Future research may want to explore and examine whether the needs of international and U.S. domestic E.M.B.A.S are the same. This is outside the scope of the current research endeavor.

FIGURE 2
Mapping of Learning Objectives to Course Content, Case Tool, and to Assessments

This table presents a crosswalk between learning objectives, the source, and specific response items that measure the pre- and post-assessment outcomes. Significance of each response item is indicated. Tables 3–5 present the overall statistical results of the paired t-tests used to analyze the mean difference across all response items.

I. Learning Objectives	II. Source	III. Assessment Type/Response Item
Understanding of financial accounting from a practical applications perspective	Generalized course content	Perceived Knowledge (Table 3): 1*** Perceived Importance (Table 4): 3*, 5***, 9 ^a Perceived Likelihood (Table 5): 5**, 6, 8
Understanding of financial statements	Generalized course content	Perceived Knowledge (Table 3): 2***, 8 ^b Perceived Importance (Table 4): 2*, 4***, 6 ^a , 7 ^a , 10 ^a Perceived Likelihood (Table 5): 1, 7 ^b
Interpretation of financial note disclosures including an understanding of different accounting policies on firm performance	Generalized course content	Perceived Knowledge (Table 3): 6*, 8 ^b Perceived Importance (Table 4): 5*** Perceived Likelihood (Table 5): 3***
Interpretation of financial trends	Generalized course content & case-learning tool requirements (Appendix A): Items: a, b, c, d, e, f, g, h, i	Perceived Knowledge (Table 3): 3***, 8 ^b Perceived Importance (Table 4): 1*** Perceived Likelihood (Table 5): 5**, 6 ^b
Assessment of firms' financial status	Case-learning tool requirements (Appendix A): Items: a, b, c, d, e, f, g, h, i	Perceived Knowledge (Table 3): 4***, 8 ^b Perceived Importance (Table 4): 5*** Perceived Likelihood (Table 5): 5**, 6 ^b
Assessment and interpretation of industry trends	Case-learning tool requirements (Appendix A): Items: a, b, c, d, e, f, g, h, i	Perceived Knowledge (Table 3): 5 Perceived Importance (Table 4): 5*** Perceived Likelihood (Table 5): 4***
Understanding of ratio analysis (liquidity, solvency, and profitability)	Case-learning tool requirements (Appendix A): Items: a, b, c, d, e, f, g, h, i	Perceived Knowledge (Table 3): 7***, 8 ^b Perceived Importance (Table 4): 5*** Perceived Likelihood (Table 5): 2***

***, **, * Significantly different from zero at $p < .01$, $p < .05$, and $p < .10$, respectively.

^a Indicates pre-assessment only.

^b Indicates post-assessment only.

generally is heavily weighted between 30–45 percent of the students' final grade. The time devoted to explaining the case varies with the specific audience. However, audiences are generally instructed to work as independently as possible. Addressing some of the issues mentioned in the above implementation guidance section mitigates redundant questions from the audience. Students are assessed across several dimensions, including presentation quality (10–15 percent), case analysis (60–70 percent), and effectiveness and efficiency of the executive summary (15–20 percent).

The Teaching Notes contain model reports that offer evidence of the generalizability and validity of the assignment. The example comparisons can aid in developing individualized assessment parameters from which an instructor can implement and grade the assignment.

EXECUTIVE STUDENT ASSESSMENTS

Survey data from 79 international executive masters of business administration students in three class years (2006–2007) in the People's Republic of China were collected to provide a basis for assessing the overall effectiveness of the generalized approach to teaching the financial accounting course as well as provide evidence on the value of the learning case tool. Table 1 presents descriptive statistics for the executive students enrolled across three introductory executive financial accounting classes during 2006–2007.

The mean (median) age of the executive student in the sample is 36.31 (36.50). The youngest (oldest) is 27 (47) years. The mean (median) number of years of total work experience and managerial experience is 13.25 (13.00) and 6.38 (6.00), respectively. These descriptive statistics are similar to recent data released by Executive M.B.A. Council (2006) revealing an average age of 36 years and 12.2 years of work experience. The sample appears to conform to the executive student profile across all members of the Executive M.B.A. Council.

TABLE 1
Descriptive Statistics Executive Students (2006–2007)

The table presents the demographic profile of all executive students, including the industry composition across all executive students.

Executive Demographics n = 79	Industry %	Mean	Median	Standard Deviation	Range
Age	—	36.31	36.50	5.47	27 through 47
Work Experience (In Years)	—	13.25	13.00	4.74	3 through 25
Management Experience (In Years)	—	6.38	6.00	3.32	1 through 15
Advanced Degrees (%)	35.4	—	—	—	—
Industry Composition:	—	—	—	—	—
Engineering (%)	14.58	—	—	—	—
Finance (%)	8.33	—	—	—	—
Operations (%)	18.75	—	—	—	—
Sales/Marketing (%)	16.67	—	—	—	—
Consulting (%)	16.67	—	—	—	—
Human Resources (%)	2.08	—	—	—	—
Information Technology (%)	4.17	—	—	—	—
Other—Technology (%)	18.75	—	—	—	—

Table 3–Table 5 below summarize the pre- and post-test instrument administered across three perceived measurement scales: knowledge, importance, and likelihood. Table 3 presents the pre- and post-assessment on perceived knowledge of financial accounting and financial statement status. Table 4 presents the pre- and post-assessment on perceived importance of financial statements in day-to-day decision-making and the use of debits and credits to teach executive accounting. Table 5 presents the pre- and post-assessment on the likelihood of the executive applying many of the learning objectives covered throughout the course as well as the learning case tool. The executive students are asked to complete the instrument on the first day of class and then again on the last day of class. For all executive audiences in the current sample hardcopy surveys were completed. The most recent class also completed an online survey and the results were qualitatively similar. The response rate was lower (50 percent) versus 100 percent response rate for the manual in-class surveys. To boost the sample size of the assessment I elect to use the manual surveys.²⁶ All executive students were randomly assigned an anonymous code on the first day of class and they were instructed to use this random code on both the pre- and post-assessment. The random codes are then matched in order to record all executive replies. In addition, two graduate assistants independently coded each survey, and any discrepancies are reconciled by a third party in order to bolster inter-rater reliability of the test instrument.

Table 3 shows that the executive students perceived their knowledge (from “very poor” to “very good”) of financial accounting and various attributes of financial statement status

TABLE 3
Classroom Assessment Results: Perceived Knowledge
Comparison of Pre- and Post-Test Scores

Student Assessment Scores			
Response Item (n = 79)	Pre-Test Mean (Std Dev)	Post-Test Mean (Std Dev)	Mean Diff/ (p-value)
Perceived Knowledge/Ability:			
1. Rate your overall knowledge of financial accounting.	2.26	3.77	1.51 (0.000)
2. Rate your overall knowledge of financial statements.	2.28	4.00	1.72 (0.000)
3. Rate your overall ability to interpret important financial trends.	2.33	4.01	1.68 (0.000)
4. Rate your overall ability to assess firm financial status as good or bad.	2.13	3.89	1.76 (0.000)
5. Rate your overall ability to assess industry trends as good or bad.	2.44	2.52	0.08 (0.223)
6. Rate your overall ability to read, interpret, and understand the notes.	2.18	2.31	0.13 (0.077)
7. Rate your overall knowledge of ratio analyses and their interpretation.	2.13	4.13	2.00 (0.000)
8. Rate your overall ability to interpret, analyze and understand financial statements including disclosures AFTER preparing your written report.	—	3.91	—

²⁶ This increases the sample size from 53 to 79 usable responses.

TABLE 4
Classroom Assessment Results: Perceived Importance
Comparison of Pre- and Post-Test Scores

Student Assessment Scores			
Response Item (n = 79)	Pre-Test Mean (Std Dev)	Post-Test Mean (Std Dev)	Mean Diff/ (p-value)
Perceived Importance:			
1. How important is it to understand industry trends in reading financial reports?	3.77	4.07	1.30 (0.000)
2. How important is understanding financial statement rules of other countries?	3.70	3.76	0.06 (0.058)
3. How important is it in an E.M.B.A. program for accounting to focus on interpretation and analysis rather than debits and credits?	4.57	4.61	0.04 (0.083)
4. How important do you believe financial statements are in day-to-day business decision-making?	3.37	4.21	0.84 (0.000)
5. How important do you believe debits and credits and transaction analysis are in learning accounting?	3.21	3.63	0.42 (0.003)
6. How important is it for you to understand financial statements in your current position?	3.64	—	—
7. How important is it for your manager to understand financial statements in the China market?	4.04	—	—
8. How important is it to understand budgets and financial forecasts in your day-to-day job?	4.13	—	—
9. How important is it to have one set of accounting rules for all countries in the next decade?	4.23	—	—
10. How important is it for a manager to understand financial statements in the China market?	3.85	—	—

as improved from both the course emphasis and case-learning tool. In five of the seven questions (response items 1, 2, 3, 4, and 7) regarding financial accounting and financial statement interpretation and analysis, there were significant increases ($p < 0.0001$) in the executive students' reported understanding of the concepts from the pre- and post-assessments. One question (item 5) was insignificant ($p > 0.10$) and one question (item 6) was weakly significant ($p < 0.10$). Item 8 was only administered in the post-test assessment and it has a mean score of 3.91. This item specifically assesses the executive students' perceived ability to analyze financial status after completing the supplemental case tool. The mean score of 3.91 is comparable to the post-assessment for all items dealing primarily with the learning outcomes of the supplemental case tool. The mean post-assessment for those items is 3.57 (items 2–7). In any event, it appears that the case-learning tool resulted in significant improvement in perceived ability to assess firm financial statement status.

Table 4 shows that the executive students perceived the importance (from “unimportant” to “very important”) of financial accounting and financial attributes of financial statement status analysis as greater from both the course emphasis and case-learning tool. In three out of five questions (response items 1, 4, and 5) dealing with the importance of financial statement interpretation and analysis, there were significant increases ($p < 0.0001$) in the executive students' reported level of perceived importance of the underlying concepts

from the pre- and post-assessments. Two questions' responses (items 2 and 3) were weakly statistically significant ($p < .010$). Item 3, dealing with the importance of financial accounting to focus on interpretation and analysis rather than debits and credits, was weakly significantly different in the pre- and post-assessment and indicates that the executive students seem to view debits and credits as unnecessary even after engaging in the course. It should be noted, however, that if the course emphasis were the cause of this finding, then one would expect the pre-assessment to show a lower overall mean level of importance. Perhaps executive students enter the course with a perceived expectation to learn about financial statements and their interpretation (application) over the traditional debits and credits. Although in this study we do not measure executives' preconceived expectations.

The remaining questions (items 6, 7, 8, 9, and 10) were only administered in the pre-test period and they capture the overall importance of financial statements to the executive student. The results generally show that financial statements are moderately important to important for the executive student (item 6). Financial statements are important to very important for the executive's manager (item 7). This is an interesting result, as it seems to point to an important motivation for why an executive student may prefer to be exposed to more practical applications in learning financial accounting; if they perceive financial statements as more important to their managers, could this be an important motivation for

TABLE 5
Classroom Assessment Results: Perceived Likelihood
Comparison of Pre- and Post-Test Scores

Student Assessment Scores			
Response Item (n = 79)	Pre-Test	Post-Test	Mean
Perceived Likelihood:	Mean	Mean	Diff/
	(Std Dev)	(Std Dev)	(p-value)
1. How likely is it that you will consult financial statements in your future work?	3.68	3.75	0.07 (0.228)
2. How likely is it that you will feel comfortable attempting to use ratio analysis including liquidity, solvency, and profitability?	3.15	3.91	0.76 (0.000)
3. How likely is it that you will consult the notes to the financial statements BEFORE reaching any definitive conclusion about the financial status of the firm?	2.97	4.33	1.36 (0.000)
4. How likely is it that you will consult industry trends before reaching any definitive conclusion about the financial status of the firm?	2.84	4.35	1.51 (0.000)
5. How likely is it that there will be one set of accounting standards that will be used throughout the world in the next decade?	2.68	2.73	0.05 (0.045)
6. How likely is it that you will challenge assumptions and underlying accounting methods (LIFO, FIFO, etc.) when reviewing or participating in financial analysis in the future?	—	3.82	— —
7. How likely is it that you will read the financial statements of your current company to understand their reported numbers in the future?	—	4.4	— —
8. How likely is it that you will be careful when offering incentive compensation/bonus schemes tied to accounting numbers (ROI, ROE, turnover, etc.)?	—	4.13	— —

them to want to learn about them too? Items 9 and 10 demonstrate that the development of a uniform set of accounting standards in the next decade is very important and that it is important to understand financial statements in the China market, respectively. Overall, the results between the pre- and post-assessments generally show that the generalized approach to teaching financial accounting and use of the case tool affect the perceived importance of this method and teaching case tool.

Table 5 shows the executive students' perceived likelihood (from "probably not" to "definitely") of deploying the specific learning objectives obtained from both the course and case module as greater in their future working lives. One potential benefit of the case-learning tool is to ameliorate the confidence of the executive student so that s/he is more comfortable when working with financial statements and general accounting functions (budgeting, forecasting, etc.). Table 5 shows that the executive students perceived the likelihood of utilizing financial statements, ratio analysis, and use of notes and industry trends as greater from both the course emphasis and case-learning tool. In three of the four questions (response items 2, 3, and 4) regarding use of financial statements and financial statement interpretation and analysis, there were significant increases ($p < 0.0001$) in the executive students' reported likelihood of utilizing the concepts from the pre- and post-assessments. Question 1 (item 1) was insignificant, indicating that the executives did not perceive it likely that they would consult financial statements in their future work. This result could be attributed to the high percentage of nonfinancial executives (e.g., engineers, technical, and operations) representing 60+ percent of the student population. Question 5 (response item 5) was significant at $p < 0.05$, and indicates that executives are in agreement that one set of accounting standards will be adopted throughout the world in the next decade.

Overall, the results demonstrate that the executives' perceived likelihood of deploying the skills gathered through the general learning approach and case tool is greater in both the pre- and post-assessment periods.

Limitations of the Study

This study has a number of limitations that must influence the interpretation of the results. The maintained results that there are causal relationships between the increased perceived beliefs and the course approach operationalized in three I.E.M.B.A. financial accounting classes is not provable. An empirical study such as this can at best establish association. Even so, I have demonstrated in several outcomes a very large increase in executives' perceptions across three measurement schemes: knowledge/ability, importance, and likelihood. The findings are important to both future executive educators and executive educators looking for an alternative executive teaching pedagogy. This can serve as a compass guiding those who are unsure on the best approach to teaching executive audiences. The generalized teaching approach and case tool can be easily implemented and provide context from which the executive student can benefit from greater application and less fixation on a tedious transaction-based model.

Summary of Conclusions

In this paper, I propose a teaching pedagogy that is geared toward an executive student population. This approach is general in nature and it emphasizes financial analysis and interpretation over the traditional transaction-based approach. A case-learning tool is deployed emphasizing financial statement analysis and interpretation across three general categories of ratio analysis: liquidity, solvency, and profitability. The case tool also emphasizes

understanding industry trends and financial statement note disclosures. Assessment outcomes show that executive audiences' perceived beliefs improve over the pre-assessment levels. This paper offers greater insights and outcomes for executive teaching that have been somewhat neglected in the extant accounting education and case research literature to date.

APPENDIX A

WRITTEN ANALYSIS OF FIRMS CASE OUTLINE

WRITTEN ANALYSIS OF FIRMS

Each student (or group of two) is required to do a written *comparison* of the financial statements of a U.S. firm and a Pacific Basin firm IN THE SAME INDUSTRY for the SAME TWO-YEAR PERIOD (e.g., [YEAR] and the previous year, [YEAR]). The annual report gives information for both the current year and the prior year. In addition, you must compare the firms to the average U.S. firm in that industry for the primary year (e.g., [YEAR]). I will meet with each group individually at an assigned time and place during [INSERT PLACE]. Domestic and Pacific Basin firm financial statements are available on microfiche, on the Internet, and in Moody's Industrials. Please refer to the [INSERT NAME OF MODEL FINANCIAL STATEMENTS ADOPTED TO TEACH COURSE] statements included in the syllabus for a sample of the detail needed in order to analyze the information for this project. References on comparative statements and ratios in various industries are available on reserve at [INSERT LOCATION HERE] (use Dun & Bradstreet's *Industry Norms and Key Business Ratios*).

1. You may work either individually or in groups of two.
2. You **MUST** use information for the SAME YEAR (e.g., [YEAR] fiscal years for both firms, along with the prior year, e.g., [PRIOR YEAR]). Use consolidated financial statements, if possible. Information must come from the firm's *published* annual report. **YOU MAY NOT USE PAIRS OF FIRMS AND YEARS USED IN PREVIOUS YEARS.** A list of these is on our [INSERT COURSE WEBSITE]; please consult this **PRIOR** to selecting your firms. I can provide you with firms if you need my help. PLEASE SEE [Insert Name Here].
3. **Submission of Firms for Written Analysis:**
On [INSERT DATE HERE], hand in the following information. (**THIS IS WORTH [Insert Percent] OF YOUR COURSE GRADE**): (1) your full name(s), (2) your full email address, (3) the names of your two firms, (4) the country of origin of your foreign firm, (5) the years you selected (either 2008/2007, 2006/2005, 2005/2004, 2004/2003, or 2003/2002), and (6) a copy **FOR EACH FIRM** of a **COMPLETE DETAILED** balance sheet, a **COMPLETE DETAILED** income statement, and a **COMPLETE DETAILED** statement of cash flows, all in **READABLE FORM** (i.e., columns of data lined up, dark, readable print, etc.). Caution: Many British-based financial statements (e.g., Hong Kong firms) often lack details of Cash from Operations (and sometimes do not list any expenses) in their financials. Most of them give the details in footnotes, which must be included with the information you turn in to Professor [Insert Professor Name Here].

IF YOU DO NOT HAVE ALL OF THE NECESSARY INFORMATION, this will affect your grade. Specifically, each item missing, incorrect, or not meeting the constraints below WILL COST YOU A LETTER GRADE. Each day this submission is late also WILL COST YOU A LETTER GRADE.

Constraints: (1) do NOT select a firm with a loss from continuing operation or an overall net loss (e.g., if you select [YEAR], neither firm can have a loss for [Prior Two Comparison YEARS] since you need to compare your current year, [YEAR], with the previous year, [YEAR]); (2) do NOT select a bank or insurance company; (3) if the foreign statements are not in English, you MUST translate and label all amounts (e.g., Cash, Accounts Receivable, Sales, etc.); (4) you should choose, if possible, your Pacific Basin firm from your country of emphasis; and (5) your foreign firm MUST HAVE A CASH FLOW STATEMENT.

Your choice of firms (and any changes you make) must be approved by [Insert Name Here] BEFORE you begin your analysis. You may NOT unilaterally change your firms. Failure to have your firms approved will result in a grade of ZERO on this assignment.

ONLY ONE INDIVIDUAL OR GROUP MAY ANALYZE A PARTICULAR PAIR OF FIRMS (this is on a FIRST submitted with completed, approved financial statements basis). In case of duplicate submissions, I will flip a coin to choose the individual or team selected to do the analysis of those firms.

4. Definitions: L.T. Debt = Bonds + L.T. Notes + Capitalized Leases. Net worth = Stockholders' Equity (S. E.).
5. On [Insert Date Here] AT THE BEGINNING OF CLASS, you must hand in the completed paper. If your assignment is late one day, your maximum score is 50 percent. Projects handed in any later will be awarded a grade of zero. You may find the "Doing Business in Country XX" series in your library to be helpful. The completed paper must contain AT LEAST the following analysis:
 - a. List and *discuss* the major SOURCES and USES of cash in BOTH firms' Cash Flow Statements. Calculate cash from operations as a percentage of total cash provided (based on emphasis and textbook chosen, a proper example showing how the executive student should go about their analysis is useful).
 - b. Compare and *discuss* the relative size of the two firms (based upon assets and sales). Convert the foreign currency to dollars, ONLY FOR TOTAL ASSETS AND TOTAL SALES, as of the balance sheet date. The following Internet site may be useful: www.federalreserve.gov/releases/h10/hist/.
 - c. Compare (and *discuss*) BOTH firms to the average firm in that U.S. industry (using the Dun & Bradstreet's *Industry Norms and Key Business Ratios*).
 - d. Compare and *discuss* BOTH firms' capital structure: L. T. Debt/Assets; Total Liab./Assets; L. T. Debt/S. E.
 - e. Compare and *discuss* firm Current Ratios, Days' Receivables, Days' Inventory, Sales/Assets, N. I./Sales, N. I./Assets, and N. I./S. E.
 - f. Compare and *discuss* firm differences in generally accepted accounting procedures (hint: look at the footnotes on accounting policies in each firm's financial statements), and discuss disclosure issues which are found in Chapter 5 of the GM book (see also Chapter 7 of GM).
 - g. Compare and *discuss* for BOTH firms the results, this year versus last year. Calculate the percentage change in major financial statement items and ratios, but do so in the firm's own currency.
 - h. Make an overall evaluation of each firm.
 - i. The analysis MUST be typed. Do all ratios in local currency.

Hand in the following on [Insert Date Here]:

- (1) A Xerox copy of the DETAILED financial statements (income statement, balance sheet, and cash flow statement) and the Dun & Bradstreet sheet. THESE MUST BE READ-ABLE. If the foreign statements are not in English, you MUST translate and label all amounts (e.g., Cash, Accounts Receivable, Sales, etc.).
- (2) A one-page *typed* executive summary. An executive summary is designed for busy executives. It tells them in less than five minutes what is in your written analysis (i.e., what it is about and what you found).
- (3) The *typed* 7–10 pages (in addition to the executive summary) discussing what the numbers mean and comparing the firms (you may have additional pages of tables). Make sure that you cover AT LEAST items a through i above. Each extra page of text will result in a five-point deduction. Make sure that you show all of the numbers used in your ratio calculations (i.e., 25 percent = $300/1,200$). You are to use proper English grammar.

APPENDIX B Case Listings

Case Name	Topic	Reference
Music Mart	Debits/Credits	Anthony et al. 1999a
Innovative Engineering	Capital Structure Choices	Anthony et al. 1999b
Summit Distributors A and B	Inventory Management	Bruns Jr. et al. 1992
A Cash Conversion Cycle Approach to Liquidity Analysis	Operating Cycle	Richards and Laughlin 1980
New Approach to Asset Management	Fixed Assets	Seed III 1983
AOL Time Warner: Goodwill Impairment	Intangible Assets	Revsine et al. 2004
Tanaguchi	Ratio Analysis—International Setting	Brown and Stickney 1992
Microsoft's Financial Reporting Strategy	Revenue Recognition/Deferred Revenue	Matsumoto and Bowen 1999
Solving the Cash Flow Puzzle	Statement of Cash Flows	Hertenstein and McKinnon 1997

TEACHING NOTES

Teaching Notes are available only to full-member subscribers to *Issues in Accounting Education* through the American Accounting Association's electronic publications system at <http://aaapubs.aip.org/tnae/>. Full-member subscribers should use their usernames and passwords for entry into the system where the Teaching Notes can be reviewed and printed.

If you are a full member of AAA with a subscription to *Issues in Accounting Education* and have any trouble accessing this material, then please contact the AAA headquarters office at office@aaahq.org or (941) 921-7747.

REFERENCES

- Anthony, R. N., D. F. Hawkins, and K. A. Merchant. 1999a. Music Mart. In *Accounting: Text and Cases*. 10th edition, 48. Boston, MA: Irwin/McGraw-Hill.
- , ———, and ———. 1999b. Innovative Engineering Company. In *Accounting: Text and Cases*. 10th edition, 272–273. Boston, MA: Irwin/McGraw-Hill.
- Bennis, W., and J. O’Toole. 2005. How business schools lost their way. *Harvard Business Review* May: 96–104.
- Brown, P. R., and C. P. Stickney. 1992. Instructional case: Tanaguchi Corporation. *Issues in Accounting Education* 7 (1): 57–59.
- Bruns, W. J., Jr., A. P. Hutton, and M. H. Zablatsky. 1992. *Harvard Business School Case*. Cambridge, MA: Harvard Business School Publishing.
- Cruikshank, J. 1987. *A Delicate Experiment: The Harvard Business School*. Boston, MA: Harvard Business School Press.
- Executive M.B.A. Council. 2006. The 2006 Program Survey.
- Hertenstein, H., and S. M. McKinnon. 1997. Solving the puzzle of the cash flow statement. *Business Horizons* 40 (1): 69–76.
- Matsumoto, D. A., and R. Bowen. 1999. *Microsoft’s Financial Reporting Strategy*. Cambridge, MA: Harvard Business School Publishing.
- Mintzberg, H. 2004. *Managers not M.B.A.s: A Hard Look at the Soft Practice of Managing and Management Development*. San Francisco, CA: Berrett-Koehler.
- Monks, K., and J. Walsh. 2001. The role of postgraduate education in management development. *Journal of European Industrial Training* 25 (2/3/4): 148–156.
- Pheffer, J., and C. T. Fong. 2002. The end of business schools? Less success than meets the eye. *Academy of Management Learning and Education* 1: 78–95.
- Revsine, L., D. W. Collins, and W. B. Johnson. 2004. AOL Time Warner: Goodwill impairment. In *Financial Reporting and Analysis*. 3rd edition, 21–23, 933–935. Upper Saddle River, NJ: Prentice Hall.
- Richards, V. D., and E. J. Laughlin. 1980. A cash conversion cycle approach to liquidity analysis. *Financial Management* 9 (1): 32–38.
- Schelfhaudt, K., and V. Crittenden. 2005. Specialist or generalist: Views from academia and industry. *Journal of Business Research* 58 (7): 946–954.
- Seed, A. H., III. 1983. New approach to asset management *Journal of Business Strategy* 3: 16–22.
- Tushman, M. L., C. A. Reilly, A. Fenollosa, A. M. Kleinbaum, and D. McGrath. 2007. Relevance and rigor: Executive education as a lever in shaping practice and research. *Academy of Management Learning and Education* 6 (1): 345–362.

Reproduced with permission of the copyright owner. Further reproduction prohibited without permission.