

CAREER GOALS AND CONCERNS OF MINORITY UNDERGRADUATE ACCOUNTING MAJORS

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Abstract

The growth in large multinational corporations with highly diversified activities, requiring relatively complex financial accounting reporting systems, suggests that a sustained pattern of growth in accounting career positions will continue into the 1990's, and thus an increasing percentage of undergraduate minority students will select accounting as a major. To the extent that higher educational opportunities and career mobility are enhanced, systematic investigations of both socioeconomic and appropriate pedagogical concerns for these enrollees should be pursued. This study examines the career goals and priorities of minority undergraduate majors with the summarization clearly indicating the respondents' emphasis on career activities as the major motivating force for choosing this professional preparatory program.

Introduction

Accounting, and its application to the interpretation of economic events in our society, continues to gain in both its prestige and its widespread utilization. Thus, the aspiration for careers in accounting continues to attract a significant number of undergraduate majors, as evidenced by the addition of an accounting major at many colleges and universities in the past decade. We believe that this growth in the profession will increasingly require systematic examination of the career goals and aspirations of undergraduate accounting majors in order to incorporate in the curriculum some of the current concerns of professional expansiveness and accountability. These concerns are being heightened by Congressional hearings regarding auditing and accounting practices and the legislative requirements of State and local bodies.

This study examines, the prioritizations for enrolling in an accounting major, as expressed by two groups of minority respondents:

(a) A group of accounting majors in their junior and senior years of a bachelor's degree program, enrolled at a Southern, predominantly black, church related (Episcopal) College, located in a relatively rural setting; and

(b) A group of accounting majors in their junior and senior years of a bachelor's degree program in accounting at a Midwestern, urban, state-supported institution located in Chicago, which has recently experienced a significant increase in the percentage of black enrollment. The total enrollment of the university reflects a wide diversity of ethnic, religious and age groups. Additionally, many of the students are employed. This increase in minority enrollment, in and of itself, presents another viable research paradigm.

These respondent groups were chosen by the investigators because of their commitment to increasing the degree of minority participation in the accounting profession. While an anticipated growth in the income of these minority accountants is admittedly a first priority,

a belief that ultimately this career path will result in the dissemination of financial and accounting information to a much broader socioeconomic strata is equally important as a research objective. To the extent that more individuals in our society understand business financial statements and related data, the democratic process is strengthened.

Research Design and Methodologies

After a planned review with accounting practitioners, educational guidance counselors, and career development specialists, a questionnaire, primarily using numerical rankings, was distributed to accounting majors in the two respondent groups (See Appendix C). The data were analyzed using the capabilities of the Computer Services Department of the Board of Governors (BOG) System of State Colleges and Universities of the State of Illinois, of which Northeastern Illinois University is a member institution.

The investigators make no claim that the results of this survey represent a purely randomly chosen sample. Rather, the research design was specified and chosen based upon the premise that the findings and summarizations of the study may lead educational theorists, business and accounting educators, personnel managers and the accounting professionals to pose and explore the following questions:

(a) Are there any long-term significant differences in the career goals and aspirations of black undergraduates as a result of the migration of blacks from the South to Northeast and Midwest urban areas, particularly in view of the transition from an agrarian society to an industrial employment structure?

(b) Is there a discernible pattern of differences in career goals and aspirations for respondents from a church-related institution, requiring religious instructions, as opposed to the career goals and aspirations of students attending a secular state-supported institution?

Many additional questions may be raised concerning the differences, if any, in the opinions of the two groups of respondents. These measurements of differences in opinions provided additional impetus for the authors pursuing this study, particularly in view of the fact that the mass media appears to interpret minority opinion, all too often, from a monolithic perspective. Our research design is thus directed toward an additional study of the complexity of factors pertinent to the successful completion of accounting degree programs by minority students, rather than a resolution of these issues.

Data Analysis

The data from the respondents were collected during the 1986-87 academic year, using a total of 175 respondents from students currently enrolled as undergraduate accounting majors. All of the students involved had completed the Intermediate Accounting I course and were duly certified as Accounting Majors (or had declared a concentration in Accounting under the applicable University Catalogue requirements.

The largest percentage of respondents (28%) gave the highest priority to their interest in pursuing a career in accounting/managerial reporting systems as their primary reason for pursuing an undergraduate major/concentration in accounting. The primary reason for seeking an undergraduate major in accounting, as indicated by the survey results (See Appendix A), may be attributable to the current emphasis on the use of quantitative data in business decision-making and management.

This prioritization is most directly linked to the student's desire for job mobility factors and income growth, presently predictably accentuated in our survey of minority students because of bias and racial factors, from the respondents' observance of the present earnings position of many of their relatives and other acquaintances. We believe these factors provide some impact on this ranking.

The item ranked first by the respondents as being the most supportive financial element in their undergraduate accounting education was guaranteed loans, supportive grants, and/or other forms of financial assistance. The investigators interpret this ranking as an indication of the current economic status of most minority undergraduate accounting majors. Hopefully, some of the current federal administration efforts toward providing substantial support for entry-level professionals will help to alleviate the degree of this financial severity felt by students enrolled in undergraduate programs.

Summarization

Our analyses of the data collected reveal that most minority students are interested in pursuing careers in accounting because of their interest in accounting reporting systems and the desire to actively participate in financial decision making in a variety of organizational settings. The student respondents in the aggregate reveal an emphasis on the objective that their initial success in a job assignment will include assistance from their immediate supervisors. The investigators suggest a significant increase in the enrollment in pre-college programs and other educational preparational experiences that will provide notable benefits in this regard in terms of increased academic skills. To the extent that these programs are based on the socioeconomic backgrounds and cultural values of the enrollees, greater benefits will be forthcoming for students enrolled in these educational pursuits. Additionally, initial job placement counseling for these minority accounting majors provided by both university personnel and minority accounting practitioners should provide a more harmonious placement of these candidates. Additional research will be required to determine the dimensions and content of these assistance programs and periodic feedback from immediate supervisors of the new accounting employees will be an integral part of this process.

Intermediate Accounting courses overwhelmingly emerge as the most important

undergraduate concern for the respondents. Given the continuing development of new investment strategies, the rapidity of change and the carefully specified character of new external reporting requirements, we can expect this prioritization to continue. During the 1987-88 academic year, most major Intermediate Accounting textbook publishers issued supplements to their texts in order to incorporate the new financial reporting requirements mandated by the Financial Accounting Standards Board (FASB) and the Governmental Accounting Standards Board (GASB). Many colleges and universities have expanded the Intermediate Accounting course sequence from two (2) courses to a three (3) courses requirement for accounting majors.

The need for continuing federal, state and local financial support of undergraduate accounting majors in achieving administrative positions in either profit oriented or not for profit organizations is highly evident in this survey of minority students. While student loans may continue as a major component of this supportive effort, the investigators would suggest that internship programs, work-study programs, and tuition rebate programs offer other viable alternatives for assisting these students in obtaining a baccalaureate degree in accounting. The acquisition of the skills required for successfully completing the certification requirements in the accounting field (CPA, DMA, CIA) must also be addressed.

The emphasis on highly informative financial statements and governmental regulation of the security markets will predictably continue. This process will be most highly evident in the large publicly-held multinational enterprise, propelled by increasing parent/subsidiary relationships and conglomerate mergers.

We believe that academically sound and cost efficient educational programs can be developed and implemented to increase minority participation in a professionally rewarding and predictably lucrative profession.

APPENDIX A

A Percentage Numerical Ranking of Student Responses for Career Intentions and Expectations in Accounting

Question 1: What was your primary reason for deciding upon an undergraduate major in accounting?

	A.	Interest in financial/managerial reporting systems for organizations,	28%
	B.	Long-term earnings potentialities	25%
(1)	C.	Initial salary of positions	20%
(1)	D.	Professional prestige	20%
	E.	Other reasons	7%

Question 2: What do you expect will be your most supportive element in your initial job assignment?

(2)	A.	Assistance from your immediate supervisor	39%
(2)	B.	The academic support provided by your formal educational background	39%
(3)	C.	Organizational attention of your employing firm	11%
(3)	D.	The assistance of your peers	11%
	E.	Other elements	---

Question 3: Which of your undergraduate courses do you believe will be of most support to you in your initial job assignments?

	A.	Intermediate Accounting	63%
	B.	Managerial (Cost) Accounting and Related Studies of Manufacturing Enterprises	18%
	C.	Auditing Techniques and Methods	8%
	D.	Business Policy and Research Techniques	5%

Question 4: What is your HIGHEST career expectation? (Assume you are at the age of 55).

	A.	An administrative position in a major profit oriented or non-profit oriented business organization	41%
	B.	A partner/manager in a CPA firm	34%
	C.	Controller of a publicly held business enterprise	18%
	D.	A key position as a non-financial executive with a business or non-profit organization	7%

Question 5: Who/What has provided the most SUPPORTIVE FINANCIAL ELEMENT in your obtaining your undergraduate degree in accounting?

	A.	Guaranteed college loans, supportive grants and/or other financial assistance	64%
	B.	Your parents	20%
	C.	The importance of an undergraduate education.	10%
	D.	The environment and instructional process you received as an undergraduate accounting major	6%

- (1) Indicates items equally ranked in the first hierarchical category for Question 1.
- (2) Indicates items equally ranked in the first hierarchical category for Question 2.
- (3) Indicates items equally ranked in the second hierarchical category for Question 2.

APPENDIX B

Comparison of Rankings of Career Intentions and Expectations Between Students Enrolled at a Predominantly Black Southern Institution (PBSI) and Students Enrolled in Midwestern Urban Institutions (MUI)

QUESTIONS	RANKING	
	PBSI	MUI
1. What was your primary reason for deciding upon an undergraduate major in accounting?		
A. Initial salary position	31%	16%
B. Long-term earnings potentialities	28%	22%
C. Professional prestige	14%	25%
D. Interest in financial/managerial reporting systems for organization	24%	31%
E. Other	7%	6%
2. What do you expect will be your MOST important SUPPORTIVE element in your initial job assignment?		
A. Organizational attention of your employing firm	7%	12%
B. Assistance from your immediate supervisor and/or organization	48%	34%
C. Assistance by your peers	3%	27%
D. Academic support provided from your formal educational background	42%	37%
3. Which of your undergraduate courses do you believe will be of the MOST support to you in your initial job assignment?		
A. Intermediate Accounting	59%	78%
B. Business Policy and Research Techniques	---	10%
C. Managerial (Cost) Accounting and Related Studies of Manufacturing Enterprises	24%	9%
D. Auditing Techniques and Methods	17%	3%
4. What is your highest career expectation (assume you are at the age of 55)?		
A. Controller of a publicly held business enterprise	17%	16%
B. A partner/major manager in a CPA firm	45%	25%
C. An administrative position in a major profit-oriented or non-profit oriented business organization	31%	50%
D. A key position as a non-financial executive with a business or non-profit organization	6%	9%
5. Who/What has provided the MOST SUPPORTIVE FINANCIAL ELEMENT in your obtaining your undergraduate degree in accounting?		
A. Your parents	21%	19%
B. The environment and instructional process you received as an undergraduate	7%	5%
C. Guaranteed college loans, supportive grants and/or other financial assistance	62%	67%
D. Your personal awareness of the importance of an undergraduate education	10%	9%

APPENDIX C

QUESTIONNAIRE

A SURVEY OF ACCOUNTING MAJORS' INTENTIONS/EXPECTATIONS

INSTRUMENT NUMBER _____

1. What was your primary reason for deciding upon an undergraduate major in Accounting?
- A. Initial salary position
 - B. Long-term earnings potentialities
 - C. Professional prestige
 - D. Interest in financial/managerial reporting systems for organizations
 - E. Other (please specify) _____
-
2. What do you expect will be your MOST important SUPPORTIVE element in your initial job assignment?
- A. Organizational attention of your employing firm
 - B. Assistance from your immediate supervisor and/or organization
 - C. The assistance by your peers
 - D. The academic support provided from your formal educational background
 - E. Other (please specify) _____
-
3. Which of your undergraduate courses do you believe will be of MOST support to you in your initial job assignment?
- A. Intermediate Accounting
 - B. Business Policy and Research Techniques
 - C. Managerial (Cost) Accounting and Related Studies of Manufacturing Enterprises
 - D. Auditing Techniques and Methods
 - E. Other (please specify) _____
-
4. What is your HIGHEST CAREER EXPECTATION (assume you are at age 55)?
- A. Controller of a publicly held business enterprise
 - B. A partner/major manager in a certified public accounting firm
 - C. An administrative position in a major profit-oriented or non-profit oriented business organization
 - D. A key position as a non-financial executive position with a business/non-profit organization
 - E. Other (please specify) _____
-
5. Who/What has provided the most SUPPORTIVE FINANCIAL ELEMENT in your obtaining your undergraduate education in accounting?
- A. Your parents
 - B. The environment and instructional process you received as an undergraduate accounting major
 - C. Guaranteed college loans, supportive grants and/or other financial assistance
 - D. Your personal awareness of the importance of an undergraduate education
 - E. Other (please specify) _____
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