

Program Review Executive Summary

Accounting

Majors Reviewed:

- *Accounting, BSA, BA*

August 2016



Accounting degrees at Penn College fit well with the College's mission of providing education and training that leads directly to employment in the field. Additionally, ample opportunities exist for continuing education through professional licensure and credentialing upon graduation and/or with work experience. Although not traditionally focused on the public accounting sector specifically, the degrees were designed to provide preparation for a diverse range of public, tax, banking and private accounting positions as well as a number of professional certifications (e.g., CPA, CMA, CFP® and AFC®). Graduate placement among BA (Associate of Applied Science Degree in Accounting) and BSA (Bachelor of Science in Accounting) graduates remains high. Both the BSA and BA degrees enjoy a fairly low cost delivery model with the majority of the costs resulting from salaries.

Similar to the business degree programs, the accounting degree programs appear to have absorbed the College-wide enrollment declines of the last couple of years and have stabilized. Both the four-year BSA degree and the two-year BA degree in Accounting have experienced significant variations in their enrollment, retention, and graduation rates during this difficult period. As reported in the previous program review, the addition of financial accounting (ACC113) and payroll courses (ACC210) in other degrees areas (e.g., business, hospitality, IT, and construction) over the years has resulted in increasing service course obligations for the accounting faculty.

The accounting profession is experiencing rapid change due to technological advances, the imminent pending convergence of U.S. Generally Accepted Accounting Principles and International Financial Reporting Standards, the 150-credit requirement in Pennsylvania, the increased complexity of tax laws, the impact of the Sarbanes-Oxley legislation (SOX), and the increased emphasis on financial planning and services within the accounting profession. Through it all, employment of accountants and auditors is projected to grow 13.1 percent from 2012 to 2022, employment of personal financial advisors is projected to grow 27 percent from 2012 to 2022 (much faster than the average for all occupations), and employment of financial analysts is projected to grow 16 percent from 2012 to 2022. Results are particularly favorable for those with professional certification.

Likewise, encouraging job prospects and expectations for baccalaureate preparation for introductory accounting positions stimulated a noteworthy shift from associate-degree seeking students to bachelor-degree seeking students. At Penn College, that shift began many years ago, and currently the program has decidedly more BSA majors than BA majors. That trend will continue as entry requirements climb, with most accounting and auditing positions requiring at least a bachelor's degree in accounting or a related field. Some employers even prefer applicants with a master's degree in accounting, or with a master's degree in business administration with a concentration in accounting. Nonetheless, as there is a clear trend to higher-level skills, many competitor programs appear to discount the need for well-trained associate-degree seeking students in accounting. Employment for graduates with an associate's degree in accounting, working in areas such as bookkeeping, accounting, individual tax preparation, and auditing clerks, is projected to grow 11 percent from 2012 to 2022.

Considerable growth has occurred in the online learning environment, enabling adult learners to take courses anywhere at any time and giving them the flexibility needed to balance their work, academic, and family responsibilities. The program has responded by expanding the number of online and alternative-format accounting courses.

As confirmed by the Accounting Advisory Committee and research, the demand is high for graduates who can go beyond mere accounting content and technical skills and display good interpersonal abilities, the ability to write and present persuasively, financial acumen, teamwork skills, and critical

thinking and decision-making abilities. Accountants are broadening as business globalizes and becomes more team-oriented. Likewise, new accounting jobs are emerging, such as fraud and forensic accounting, which combines accounting, finance, and legal knowledge to investigate and determine if an activity is illegal.

The program's greatest challenge remains overcoming the 150 credit-hour rule. Students have a number of paths to reach the 150 credit-hour rule requirement, such as dual degree programs and multiple minors, but an online certificate or a master's degree alternative would be welcomed in the marketplace.

Specific recommendations resulting from this review are as follows:

- Increase technology applications throughout the ACC (accounting) courses; review required student outcomes (RSOs).
- Incorporate/expand Excel® and other accounting-related software such as QuickBooks® and Sage® into the RSOs of appropriate ACC courses: Managerial Accounting(ACC123), Intermediate I (ACC341), Intermediate II (ACC342), Corporate Tax (ACC430), Auditing (ACC452) and Advanced Accounting (ACC461).
- Increase and elevate the technology component in Accounting Information Systems (ACC285) by adding elements such as encryption and security assurance, and enterprise resource planning (ERP) software.
- Increase the production of digital learning tools and marketing.
- Explore the possibility of expanding the Student Managed Investment Fund and the Accounting Society into a larger organizational structure, for example, Financial Literacy that would strive to provide service to the College and the Community both virtually and traditionally.
- Establish and clearly communicate existing articulation agreements and Penn College NOW (dual enrollment program) expectations. Revise program sheets and other promotional materials.
- Improve retention of true freshman. Engage students through program-specific advising and hands-on experiential learning opportunities.
- Eliminate the CFP® program and replace with Minor in Financial Counseling (MFC) and possibly articulation agreements with the American College or other suitable partner.
- Continue to review program curriculum to determine if opportunities exist to increase the focus on specific sectors of the profession.
- Expand faculty experience and education.