

In the Shoes of Accounting Students: Perceptions of the Skills Needed for a Successful Career

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Abstract. Students are an important stakeholder group in higher education institutions (HEIs). This paper aims to examine students' perceptions of the most important skills for a successful career in the accounting profession, and to identify how these perceptions vary among students with different academic profiles. Focusing on undergraduate and masters students, the analysis of the data indicate that perceptions differ according to students' educational accounting profiles (level of education, professional experience, and business school excellence). The results show that students are clearly aware of the skill sets required by recruiters, but assign them varying levels of importance. The results have practical implications for academia (enhancing the perceived skills to meet objectives), recruiters (contributing to shaping the skills of aspirants), and students (matching their views with that of industry requirements).

Keywords: accounting profession' skills, masters students, bachelors students, higher education institution (HEI).

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1. Introduction

In recent decades, the accounting profession has been changing, and the required competencies¹ regarding the preparation, reporting, disclosure, and analysis of financial information are in high demand. Accountants play an important role in the growth and sustainability of organizations (e.g., Bruna *et al.* 2017; Lim *et al.* 2016), and they are currently required to have soft skills beyond those directly concerned with traditional accounting. The job market poses ever-increasing challenges for aspirants, and for some time now, hard skills alone are not a

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1. Uwizyemungu, Bertrand and Poba-Nzaou (2020) set out clearly, based on past literature, that competences can be related to performance outcomes, characteristics or knowledge possessed (knowledge, skills, personal traits, and professional attributes). In this study, competencies are used in a wide sense, as synonymous with knowledge and skills.

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sufficient requirement (e.g., Andrews & Higson 2008; Robles 2012; Moore & Morton 2017). In addition, developments in technology over the last decades have introduced the use of new software and databases, and companies now require their accountants to keep abreast of new information systems (e.g., Dzurinin *et al.* 2018; Spraakman *et al.* 2015). However, a recent study by Dolce *et al.* (2020) argues that accounting education still needs to enhance student skills, as their findings suggest that graduates tend to underestimate the importance of some soft skills and overestimate other technical skills, so they are only partially in accordance with employers' views. Additionally, Chaffer and Webb (2017) and Coady *et al.* (2018) suggest that accounting graduates generally do not have the generic skills expected by employers. The accounting literature has flagged a number of gaps between the skills being developed in accounting programs and the skills sought by the marketplace (e.g., Coady *et al.* 2018; Lichy & Khvatova 2019; Jackling & De Lange 2009; Kavanagh & Drennan 2008).

Nevertheless, accounting education institutions appear to be aware of what is required by professional organizations (e.g., knowledge required for being a public accountant according to the guidelines of each country), and by assessment and accreditation agencies whose objective is to improve the quality of business education either at the country level (e.g., certifying the quality assurance of the higher education system) or at the international level (e.g., improve the quality of business education around the world). In the accounting education literature, the categorization of skills and the clarification of component elements seems rather confusing (Smith *et al.* 2018) and if a list of isolated skills were to be analysed (Albrecht & Sack 2000), they may present a “knottily” combined skill set (Jones and Sin 2003). Smith *et al.* (2018) provide examples of these considerations, stating that “What is not clear is how students understand or conceptualize these different skill sets” (p. 539). Even though Dolce *et al.* (2020) have answered *how much these skills are developed at universities* by reviewing the expectation-performance gap in accounting education among practitioners/employers, university educators, and chartered institutes (and provide evidence about graduates' expectations), a paucity of research focuses on students' perceptions alone. It is therefore clear that, alongside the studies that already focus on the viewpoints of both graduates and employees² regarding soft skills in accounting education (e.g., Dolce *et al.* 2020; Lichy & Khvatova, 2019), there is a need to further consider the skills/competencies perceived as the most important by students.³ Only a small number of studies have focused on the views that

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2. One limitation of this study, as appointed by an anonymous reviewer, is the lack of data collected about the perception of employees and identification of gaps between different groups. The authors acknowledge this limitation and highlights the existence of other recent papers about that gap (e.g., Coady *et al.* 2018; Lichy & Khvatova 2019). This paper highlights the gaps between students with different profiles and employers.
 3. In this paper, “students” include learners enrolled in accounting programs offered by HEI (universities and polytechnics), either undergraduates or master's degrees.

students' may have about entering employment, even though they are clearly key stakeholders in the whole process (Kavanagh & Drennan 2008).

This study aims to examine in detail students' perceptions of the importance assigned to a large set of general/soft and technological⁴ skills long considered critical by the accounting profession (e.g., Albrecht & Sack 2000; Kavanagh & Drennan 2008). Furthermore, the study investigates how the levels of importance vary among students with differing academic profiles. A survey was conducted with undergraduate and master's accounting students in higher education institutions (HEIs) in Portugal. Portugal has a suitable educational environment to conduct such a study for the purposes of this research, because the characteristics of the accounting educational system are very similar to those of other European countries. Many Portuguese business schools offer a degree in accounting (at undergraduate and/or masters). Additionally, as in other European countries, accountancy is a regulated profession and accountants must be certified and possess at least an undergraduate degree. In Portugal, all degree programs must be accredited by the National Agency for Assessment and Accreditation of Higher Education (A3ES). Only a handful of European business schools are currently internationally certified. Portugal has four business schools with international AACSB accreditation. Portugal therefore is an apt country to conduct such a study due to the aforementioned characteristics, and the findings should be of interest to other accounting institutions and students elsewhere in Europe and worldwide.

The findings suggest that students still perceive as important, almost the same general abilities and knowledge that prior literature has found recruiters expect young graduates to possess. However, the students do not appear to attribute the same level of importance to some soft skills, for example, communication and teamwork.

Students generally still seem to attach greater importance to technological skills. However, when students are divided according to their academic profiles (masters *versus* bachelor's; professional experience in masters *versus* bachelor's; professional experience obtained in the university *versus* outside; AACSB accredited *versus* non-AACSB accredited), the perceived higher ranking skills differ, and their relative positions change. Only six general/soft patterns of underlined competences and four patterns of underlined technological competences survive. Students with a master's degree attribute a higher level of importance compared to undergraduates to "communication, relationship and innovation" and "ethics and professionalism". They are thus more aligned with the requirements of employers. However, when both master's and bachelor's

4. General/soft skills include personal skills and general knowledge that someone in the accounting profession should have; technological skills include more in-depth knowledge that someone in the accounting profession should have. Because Smith *et al.* (2018) question the confounding categorization and component elements of skills, distinction between the categories is clarified in the survey (see Appendix).

students have some professional experience, all patterns (except IT management) are perceived as more important. The findings suggest that when work experience is considered, there are differences in some skills between those who have experience outside academia (e.g., autonomous work) and those within academia (e.g., curricular internship). Additionally, patterns of skills linked to “communication, relationship and innovation” and to “office related applications” are perceived as the most important by students enrolled in AACSB Accredited schools when compared to non-AACSB Accredited, which seems to align better with the skills required by the job market.

The theoretical contribution of this study is that students in Portugal, as one of the most important stakeholder groups in HEIs, still consider the skills that recruiters require (as suggested by prior literature) as very important for a promising career. It goes further by partially replying to the call for more research by Kavanagh and Drennan (2008) to include the perceptions of graduates employed in industry. This study focuses on the perceptions of students still at university; a) with professional experience in the industry, and b) enrolled in an internationally recognized accounting program. Furthermore, it contributes to existing literature by addressing the research problem in a geographic context and by prioritising students who have been identified as the most important stakeholder group for HEIs in previous research (Mainardes *et al.* 2013). This paper also adds to previous studies that emphasize the importance graduates’ place on the skills and self-evaluation (e.g., Dolce *et al.* 2020), and skill set requirements of industry recruiters (e.g., Kavanagh & Drennan 2008). It focuses on the perception of relatively young learners (e.g., Smith *et al.* 2018), still enrolled in accounting programs (undergraduates and masters). As such, it enables an evaluation of this group of stakeholders according to their individual levels of education, the amount of and level of professional experience acquired during the accounting course, and the quality of the HEI in terms of its accreditation by AACSB International. It focuses on an exploration of the differences in the students’ perceived importance of several accounting skills.

The practical implications of this study are threefold. First, it provides academic institutions with additional valuable information when planning their accounting curricula and competences and, therefore, the opportunity to consider whether something needs to be changed in order to enhance the teaching or make adjustments according to the profiles of their enrolled students. Second, it further answers recruiters’ concerns evidenced in earlier literature about academic institutions not being sufficiently aligned to their needs regarding the most important type of skills graduating accounting students should possess. And third, the study is important for accounting students who can use these findings, along with the existing literature on the skills required by the job market, to consider their own position and the position of their peers.

The remainder of the paper is structured as follows; the next section reviews pertinent literature; then the research questions, sample, and methodology used to