

Accounting Education and the Provision of Soft Skills: Implications of the recent NZICA CA Academic requirement changes

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ABSTRACT

This research examined the role of accounting education in the provision of soft skills to accounting graduates, and how this may be affected by the recent changes in academic requirements initiated by NZICA. A qualitative research method utilizing in-depth interviews was conducted with accounting graduates, partners of the Big4 accounting firms, and two NZICA representatives. A literature review was conducted in order to review research regarding the purpose of tertiary accounting education, the issues in accounting education, and the provision of soft skills in accounting education. Included in this paper is a brief history of NZICA which focuses on its establishment and the changing academic requirements to become a qualified CA. The research found that overall, the majority of participants in this study were of the opinion that tertiary accounting education plays an important role in soft skills development for accounting graduates. The majority of participants also perceived that a three year degree should not diminish the quality of soft skills development at tertiary level since the fourth year did not provide additional soft skills development for them. The implications of the 2010 academic changes may not be witnessed for a few years; therefore, it would be ideal for NZICA to conduct a review of the academic changes commencing from 2013 to see whether the changes have improved the students' education experience, practitioners' pool of graduates and the profession's pool of members. Such a review will be important to gather feedback and determine whether further academic changes will need to be made to ensure a quality tertiary level accounting education.

Keywords: Accounting education; soft skills; CA academic requirements.

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Introduction

Over the past two decades, the business world has witnessed a dramatic change due to technology, business complexity, and globalisation. As a result, accountants need to master not only the technical skills of their job but also various 'soft skills', including the ability to communicate, coordinate, work under pressure and solve problems (Albrecht & Sack, 2000). The demand for such skills and competencies has caused a change in accounting education, providing both technical skills and soft skills to accounting students in order to adequately prepare them for the business world in the 21st century (Mohamed & Lashine, 2003). Meanwhile, the changes in academic requirements initiated by the New Zealand Institute of Chartered Accountants (NZICA) means that students need to complete only a three year degree as opposed to a four year degree. This study investigates whether stakeholders such as accounting graduates, employers and the accounting profession perceive that a shorter degree would result in accounting students developing fewer skills and competencies. Therefore, the main purpose of this study is to examine the role of tertiary accounting education in the provision of soft skills to accounting graduates, and how this may be affected by the recent changes in academic requirements undertaken by NZICA.

In 2010, NZICA began collaborations with the Institute of Chartered Accountants Australia (ICAA) with the aim to "strengthen the leadership of the chartered accountancy profession into the future and provide greater value to members on both sides of the Tasman" (NZICA, 2010, n.p.). The overall goal of the collaboration was "to deliver a 21st century, world class programme that meets the needs and expectations of future candidates, while retaining the quality of its existing qualifying programme" (NZICA, 2010, n.p.). The collaboration resulted in NZICA making changes to its tertiary academic requirements. Up till 2012 students were required to complete a four year bachelor's degree which included 30 credits of liberal studies along with the required courses provided by an NZICA accredited tertiary institution. In contrast, the new programme commencing from 2013 will require students to only complete a three year bachelor's degree and the required courses in the following topics provided by an NZICA accredited tertiary institution: Financial Accounting, Management Accounting, Taxation, Audit, Business Finance/Treasury, Economics, Statistics, Organisational Management, Commercial and Corporate Law and Accounting Information Systems (NZICA, 2012). This new initiative taken by NZICA appears to take on a more technical approach as it has eliminated an entire year of education for students, along with 30 credits of liberal studies. It would appear that the new CA academic requirements may have a huge impact on the current tertiary accounting education being provided across the nation.

The purpose of accounting education has always been difficult to specify as it changes accordingly to global business environments, the requirements set by the accounting professions and the ever increasing demand for accountants (Milne, 2001; Zraa, Kavanagh & Hartle, 2011). Over two decades ago, the Accounting Education Change Commission (AECC) stated that "pre-entry education should lay the base on which life-long learning can be built. In other words, graduates should be taught how to learn" (1990, p. 2). From this definition, it seems the purpose of accounting education should be to incorporate a range of skills sets with an emphasis on providing students the ability to adapt to the changing environment in the workplace, and deal with challenges that they will face in both their professional and personal lives. Thus, while the purpose of accounting education cannot exclude the technical capabilities, it is evident that the purpose, as emphasized by Hassall, Joyce, Arquero Montano & Donoso Anes (2005), has shifted from providing only the technical capabilities to also providing non-accounting capabilities and soft skills. Boyce, Williams, Kelly & Yee

(2001) also argue that the accounting curriculum is too technical orientated and has reduced scope to include soft skills development within the curriculum.

The term 'Soft skills' itself can include many different skillsets, such as the ability to adapt to changes, communicate with different groups of people, and work with people from different backgrounds (Dixon, Belnap, Albrecht & Lee, 2010; Perreault, 2004). These skillsets are personal attributes that should be developed within tertiary accounting education. The American Institute of Certified Public Accountants (AICPA) states that accountants today are expected to be able to link data and knowledge, provide quality advice for strategic decision making, give and exchange information within meaningful context, influence, inspire and motivate others (AICPA, 2011). Accountants today need not only to obtain the technical skills, but also to broaden their knowledge in order to provide strategic advice and gain various soft skills (Beard & Schwieger, 2008).

This leads to the issue of whether the recent academic changes made by NZICA will provide future accounting students the necessary soft skills that are argued to be of importance in the business world today. The academic changes appear to provide students with fewer opportunities to gain the broader knowledge and soft skills that were included in the non-accounting courses and liberal studies from a four year programme of study. It is therefore important to ensure that, even within a three year degree, tertiary institutions can still meet the purpose of accounting education. Whether or not New Zealand is heading towards the right direction of serving this purpose is a question that needs to be explored.

In recent years, many firms have begun to recognise the relationship between employees' soft skills and the overall success of the organisation (Walker & Ainsworth, 2001). With the growing emphasis on the importance of incorporating soft skills development within the accounting curriculum (Milne, 2001; Boyce et al., 2001; Davidson & Baldwin, 2005; Dixon et al., 2010), tertiary institutions need to ensure they provide students the opportunity to gain these soft skills in spite of the recent change in academic requirements made by accounting professional bodies. This research is of particular importance as the changes in chartered accountants' (CA) academic requirements undertaken by NZICA will affect all the accredited tertiary institutions. This study aims to evaluate the status of tertiary accounting education and the provision of soft skills prior to 2013 and the perceptions of participants in this study of what they think may happen after 2013. The findings will be of value to the accredited tertiary institutions across the nation as they will provide further insight into the quality of soft skills development in accounting students.

The academic changes undertaken are also quite recent and, therefore, studies related to these changes are quite limited. This study also aims to establish and update a list of soft skills that graduate accountants and partners/directors perceive to be of importance in the workforce. The purpose of this paper is to identify any gaps in the provision of these identified soft skills between education and practice. Overall, this study will contribute to the existing literature in accounting education and the provision of soft skills to graduates. The main objective of this study is to examine the perception of accountants on the importance of soft skills and the provision of these in tertiary accounting education. The secondary objective is to see whether the provision of soft skills in tertiary accounting education may be affected by the recent changes in academic requirements undertaken by NZICA.

Tertiary Accounting Education

The purpose of accounting education has always been affected by the business environment, the requirements of the accounting profession, as well as the demand and supply of accountants (Milne, 2001; Zraa et al., 2011). All these factors play an important role in determining what should be taught to accounting students. Flood & Wilson (2008) emphasised that accounting education must foster students' understanding of the principles and concepts which underpin accounting and business practices. Truan & Hughes (1999) claimed that the primary aim of accounting education is "...to further individual emotional self-development towards maturity, interpersonal effectiveness and general psychological well-being of students" (p. 31). Zraa et al. (2011) agree, stating that the major objective of accounting education is to prepare students for workplaces. From these perspectives, it seems that the purpose of accounting education has incorporated the provision of a range of skill sets over the years with an emphasis on providing students the ability to adapt to the changing environment in the workplace, and deal with challenges that they will face in both their professional and personal lives. Kermis & Kermis (2010) also argue that "technical skills are necessary, but not sufficient for a successful accounting career that includes the individual's selection, retention and advancement" (p. 1). The skills that should be incorporated in the tertiary accounting education include career skills, emotional intelligence, time management, and other soft skills such as teamwork skills and public speaking (Kermis & Kermis, 2010).

Soft Skills defined

Perreault (2004) defined 'soft skills' as personal qualities, attributes, or the level of commitment of a person that set him or her apart from other individuals who may have similar skills and experience. On the other hand, Litecky, Arnett & Prabhakar (2004) define soft skills as "...the cluster of personality traits, social graces [and] ...optimism that marks each one of us to varying degrees" (p. 69). According to Dixon et al. (2010), soft skills have been described as a combination of interpersonal and social skills that are considered as a complement to hard skills. Dixon et al. (2010) further state that soft skills are different to hard skills in that they do "...not include the technical or administrative procedures that can be quantified and measured" (p. 35).

According to the Oxford Dictionary (2012), soft skills are personal attributes that enable someone to interact effectively and harmoniously with other people. Examples of soft skills include communication skills, analytical skills, and critical thinking skills (Mohamed & Lashine, 2003). Beard & Schwieger (2008) explained that soft skills relate to the way individuals interact with each other and may include "leadership abilities, team player skills, communication ability and motivating team members" (p. 230). Similarly, Boyce et al. (2001) suggest that "soft skills are a range of general education skills that are not domain- or practice-specific, and include communication and interpersonal skills... problem solving skills, analytical skills, critical skills, and judgement skills" (p. 37).

In recent years, many firms have begun to realize the existence of the relationship between employees' soft skills and the overall success of the organisation. Consequently, the American Institute of Certified Public Accountants' (AICPA) Vision 2011 Project recently added 'soft skills' as a core competency that all accountants should possess. The soft skills listed included 'strategic & critical thinking skills' and 'communication & leadership skills'. Accountants today are expected to be able to link data and knowledge, to provide quality advice for strategic decision making, to give

and exchange information within meaningful context, as well as to influence inspire and motivate others (AICPA, 2011).

Accounting Education & Soft skills – Prior Studies

There have been numerous studies conducted in relation to accounting education and soft skills development (e.g. Walker & Ainsworth, 2001; Arya, Fellingham & Schroeder, 2003; Kavanagh & Drennan, 2008). Some of the studies focus on proposing a new accounting curriculum model that incorporates soft skills development into students' learning. There are also numerous studies that revolve around the perceptions of employers of accountants, the academics and the graduates of accounting degrees. For example, in the study conducted by Hassall et al. (2005), the perspectives of employers of management accountants in Spain and the UK on the importance of soft skills were examined. Findings show that "employers view the abilities and attitudes of academics as a major constraint to the development of soft skills (Hassall, et al., 2005, p. 387). Employers in both countries rate the lack of relevant practical accounting experience of lecturers as a primary constraint in skills development. In terms of which soft skills were rated the most important, UK employers rated 'communication skills' most highly while Spain employers rated 'commitment to life-long learning' as the most essential.

In a study conducted by Cheng (2007), providers of accounting education and graduates of accounting degrees in five universities in Taiwan were presented with questionnaires regarding the current curricula design in accounting education. The aim of Cheng's study was to obtain suggestions on how to decrease the expectation gap between business and the academic practitioners in the field. The five main suggestions include: (1) integrating basic accounting, intermediate accounting, advanced accounting, cost accounting, management accounting, and auditing into the curriculum; (2) integrating non-business courses such as communication skills and abilities, enterprise resource planning and business English; (3) dividing students into employment and advanced study groups according to their interest and career choice; (4) promoting the use of case study approach in university education; and (5) encouraging a more flexible school-year system. Cheng (2007) argues that by being grouped according to their choice of career at an early stage, tertiary students are able to make preparations for their career ahead of time. Cheng (2007) also made the suggestion to integrate soft skills such as communication skills and strategy thinking and planning into the curriculum.

Promoting the use of case study approach in accounting education has also been mentioned by other researchers. For example, both Boyce et al. (2001) and Healy & McCutcheon (2010) suggested a case-based study method to enhance students' learning and soft skills development. By incorporating real world case studies into accounting education, students are forced to deal with contemporary issues and apply ideas to new situations. Students are encouraged to work and interact with others, which enhances their soft skills development. Other studies conducted by Mohamed & Lashine (2003) and Albrecht & Sack (2000) suggest an entire change in the current accounting curriculum and the way accounting is taught in order to enhance generic and soft skills development. Albrecht & Sack (2000) focused on six major categories of issues in accounting education. These issues include: (1) course content and curricula; (2) pedagogy; (3) skills development; (4) technology; (5) faculty development and reward systems; and, (6) strategic direction. Albrecht & Sack (2000) argue that there needs to be a change in the accounting curriculum and the way accounting students are taught. Similarly, Mohammed & Lashine (2003) argue that the courses should not be taught as a series of technical rules and that "educators should adapt a creative learning process that does not depend on memorization and extensive use of

textbooks” (p. 9). Moreover, Albrecht & Sack (2000) add that “students forget what they memorize. Content knowledge becomes dated and is often not transferable across different types of jobs. On the other hand, critical skills rarely become obsolete and are usually transferable across assignments and careers” (p. 55).

Furthermore, in the study conducted by Paisey & Paisey (2010), a comparison was made of the development of soft skills between an accounting degree with a work placement and an accounting degree without a work placement. Findings show that work placements were an effective way in developing a range of soft skills for students. Paisey & Paisey (2010) also established a list of soft skills that are considered to be essential for accounting students to acquire from their degree. Researchers cited by Paisey & Paisey (2010) in their study have been extended to incorporate other soft skills found to be important by other researchers (shown in Table 1). This list encompasses knowledge and skills, as well as wider curricular aspects. Acknowledging the importance of incorporating these skills into the accounting curriculum (Mohamed & Lashine, 2003), several soft skills emphasized by AECC have also been cited by various other academics (Albrecht & Sack, 2000; Kermis & Kermis 2010; Gupta & Marshall, 2010).

Table 1:

List of soft skills cited by Paisey & Paisey (2010), extended (in italics) in this study to include other relevant literature

Creative Thinking	Beard & Schwieger (2008), De Lange, Jackling & Gut, (2006)
Critical thinking	Mohammed & Lashine (2003), Albrecht & Sack (2000), Hassall, et al. (2005), Boyce, et al. (2001)
Analytical skills	Mohammed & Lashine (2003), Albrecht & Sack (2000), Boyce, et al. (2001)
Team work	Mohammed & Lashine (2003), Albrecht & Sack (2000), Dixon, et al. (2010), Kermis & Kermis (2010), Hassall, et al. (2005), <i>Zarr, Kavanagh & Hartle (2011)</i>
Problem solving – Logically solve unstructured problems	Albrecht & Sack (2000), Dixon et al. (2010), Hassall, et al. (2005), Boyce, et al. (2001)
Communication – Ability to communicate both formally and informally, in both spoken and written form	Albrecht & Sack (2000), Albrecht & Sack (2000), Dixon, et al. (2010), Beard & Schwieger (2008), Hassall, et al. (2005), Boyce, et al. (2001), <i>Zarr, Kavanagh & Hartle (2011)</i>
<i>Interpersonal – Ability to work with others in groups and the ability to interact with culturally diverse people</i>	<i>Albrecht & Sack (2000), Beard & Schwieger (2008), Boyce, et al. (2001), Gupta & Marshall, 2010)</i>
<i>Leadership</i>	<i>Albrecht & Sack (2000), Beard & Schwieger (2008), Cook, Bay, Visser, Myburgh & Njoroge (2011), West & Cronk (2011)</i>
<i>Public speaking</i>	<i>Hassall, et al. (2005), West & Cronk (2011)</i>
<i>Decision Making</i>	<i>Albrecht & Sack (2000), Dixon, et al. (2010), Boyce, et al. (2001), West & Cronk (2011), Zarr, Kavanagh & Hartle (2011)</i>
Time Management	Albrecht & Sack (2000), Hassall, et al. (2005), Beard & Schwieger (2008), Kermis & Kermis (2010), <i>Zarr, Kavanagh & Hartle (2011)</i>

Although educators cannot fully prepare accounting students with all the soft skills needed to face problems in both their professional and personal lives, educators can definitely enhance the students’ ability to acquire these soft skills that are considered to be important (Mohamed & Lashine, 2003). The next section will examine the

academic changes made by NZICA, and the institute's role in accounting education and soft skills development for accounting students in New Zealand.

Historical Overview of the New Zealand Accounting Profession

The New Zealand Institute of Chartered Accountants (NZICA) represents over 30,000 members in New Zealand and 90 other countries. NZICA acts in the public interest through regulating the profession, developing financial reporting standards and promoting quality, integrity and expertise (NZICA, 2012). However, the Institute, like every other organisation, has gone through various changes over the past century. This section aims to provide a brief historic overview of the establishment of the New Zealand accounting profession, with a focus on the various admission academic requirement changes made in the past, and how these have led to the academic changes made to date. The admission policies that will be examined in more detail in this section are the particular academic changes made in 1996, 2007 and 2010.

The emergence of the accounting profession in New Zealand can be traced back to as early as when the Incorporated Institute of Accountants of New Zealand was formed in 1894 (Velayutham & Perera, 1996). Due to the threat of a private member's Bill in Parliament, which sought to transfer the audit of all companies to the Government Audit Office and entrust liquidations to the Official Assignee, the Association attempted to obtain legal registration (Velayutham & Perera, 1996). As a result, the New Zealand Society of Accountants Act 1908 was introduced with the aim to control and regulate the practice of the profession of accountancy in New Zealand. The Institute was renamed the New Zealand Society of Accountants (NZSA) (Knighton, Bolleboom & Spratt, 2008). Unlike accounting bodies in other Anglo-American countries, the NZSA is the singular body representing the accounting profession in the country, whereas Australia, the United States, the United Kingdom and Canada have two, three, or six professional bodies respectively (Velayutham & Perera, 1996).

In 1995, the NZSA undertook a review of the future role and structure of the professional organisation. As part of the review, "the Society's entire framework, including governing legislation – the New Zealand Society of Accountants Act – and its Rules, were examined and reassessed in the light of the profession's perceived needs up to and beyond the year 2000" (Booth, 1996, p. 4). This review led to a new set of Rules for the Society and to the passing of the Institute of Chartered Accountants of New Zealand Bill in 1996. The 1996 Act was intended to provide the Institute with more flexibility to enable it to cope with the on-going demands of a profession that must respond to an ever-changing business environment. As a result of the 1996 Act, the profession also changed its brand name to the Institute of Chartered Accountants of New Zealand (ICANZ), stating that "...the central brand is Chartered Accountants, and the Institute is the body representing them" (Edlin, 1996, p. 6).

In August 2005, the profession launched yet another brand campaign, renaming itself as the 'New Zealand Institute of Chartered Accountants' (NZICA). According to the Institute's president at the time, Roy Tiffin, "the campaign goes beyond advertising as the goal of this launch was to promote a professional designation that underpins the growth and well-being of New Zealand business" (cited in Davies, 2005, p. 4). Since the Institute's members are a key major presence in the area of international reporting standards, it was seen as important to be committed to international work, and to acknowledge the greater demand for global collaboration in the profession. Hence, the goal of this campaign was also to become more globally aligned with accounting bodies around the world. Through the campaign, the Institute wanted "...the public to understand that it is the Chartered Accountant qualification that gives the reassurance that this person is not only qualified, but their performance is monitored by their professional body" (Davies, 2005, p.5). The occasion was said to

be an important milestone for the Institute, being referred to as “the beginning of a major campaign to profile the role of the Chartered Accountant in New Zealand to the users of their services and students the profession is keen to attract” (Davies, 2005, p. 4).

From its establishment until now, the Institute has made various academic changes to its admission policy. These changes obviously would have affected what should be included in the tertiary accounting education curriculum and how it should be taught. The following sections will examine the various academic requirement changes made from as early as 1911 to 2013, with a focus on the 1996, 2007 and 2013 academic changes. The New Zealand accounting profession, which has had a number of name changes such as NZSA, ICANZ, and NZICA, will hereafter be referred to as ‘Institute’.

1911 – 1980s

From the very beginning, it appeared that the Institute recognised the importance of education for current and future generations, and in 1911 the University of New Zealand and the Institute reached an agreement on a new Bachelor of Commerce degree that would include the subjects of the accountancy professional course (Malthus & Fowler, 2005). The degree required commerce courses, as well as courses in a foreign language, geography and arithmetic. However, a new degree structure during the 1940s saw a move towards specified commercial subjects (Velayutham & Perera, 1996). The Institute’s admissions requirement was viewed as being very technically focused between the 1940s and the 1980s.

1990s-2010

It was not until the 1990s that the move away from purely technical training towards the liberalisation of accounting education programmes in New Zealand began (Carr & Mathews, 2004). According to Malthus & Fowler (2005), it was not until the Lothian and Marrian (1992) report, the International Review of Admission Policy, that the idea of including a liberal element into the academic component of the Institute’s admissions policy was seriously considered. The Institute incorporated a liberal component as it argued that students can broaden their subject knowledge and learn a different approach to solving problems (Malthus & Fowler, 2005). The emphasis on liberal or general education is also supported by other accounting bodies. The aim of the International Education Standard (IES 3): Professional Skills and General Education published by the International Federation of Accountants (IFAC, 2010), is to ensure that members are equipped with the appropriate mix of skills (intellectual, technical, personal, interpersonal and organizational) to function as professional accountants in an increasingly complex and demanding environment.

In 1991, the Institute of Chartered Accountants in Australia (ICAA) threatened to withdraw reciprocal practice rights for New Zealand Chartered Accountants if the Institute failed to raise the standard of its education and admission policy (Velayutham & Perera, 1996). This threat motivated the Institute to take some action and invited Professors Lothian and Marrian of the Institute of Chartered Accountants of Scotland (ICAS) to nominate an expert (Bill Birkett) to review the current admission policy of the Institute. Birkett was a professor in the University of New South Wales at the time and, according to Mladenovic & Poullaos (2005), “...he was an innovative institution builder who engaged in broadening and deepening research profiles and improving the quality of tertiary education...” (p. 113). While serving as an active member of the then Accounting Association of Australia and New Zealand (AAANZ), Birkett was also actively involved in developing competency standards in many areas of accounting such as auditing, external reporting and insolvency. In his research ‘Competency Standards for the Profession: Competency and Education’, Birkett (1992, p. 70)

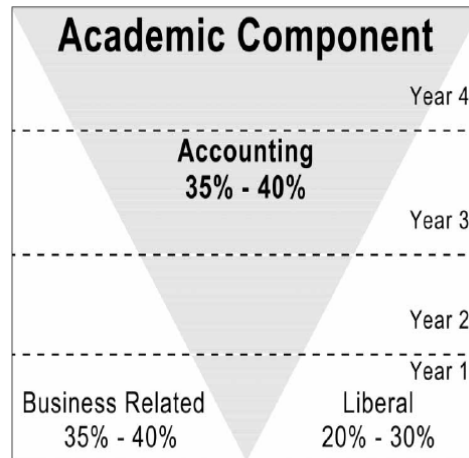
identified several issues in accounting education, and argued that these issues could not be ignored (some of the more relevant issues for this paper are presented below):

- purposes of accounting education that go beyond the development of work related competence
- the extent to which competence development lies outside formal education
- relationships and differences between formal education, professional induction programs and work experience in developing competent practitioners
- the bodies of knowledge relevant to different spheres of accounting work
- the 'drivers of change' in accounting work and accounting education
- relationships between generic skills developed through formal education (intellectual and instrumental) and the competences of accountants
- relationships between generic and specialist skills of accountants
- relationships between newly formulated generic skill requirements in secondary education, and tertiary education and professional work.

With these issues in mind, the Institute reviewed its admission policy. The review looked at whether the requirements were likely to produce members who were also equipped for the international scene, especially the United Kingdom, USA, Canada and Australia (Carr & Mathews, 2004). As a result, in 1996, the Institute significantly changed its admission policy for Chartered Accountants (Knighton, Bolleboom & Spratt, 2008). Carr & Matthews (2004) noted that the 1996 requirement included a four year degree level study at an approved tertiary institution with 35-40% accounting studies, 35-40% business-related studies, and 20-30% liberal studies. Further it was indicated by Carr & Matthews that this 1996 admission policy was aimed at (1) broadening the subject knowledge of the accounting graduates and their way of thinking; and (2) improving their cultural understanding. By incorporating the liberal component, it was considered that accounting students should have an improved understanding of the worldwide economic, political and social forces affecting the profession. Although the Institute did not define liberal studies, it indicated that these should be neither accounting-nor business-related subjects. As a result, Arts, Humanities, Natural Science, Applied Sciences, and Social Sciences were listed as the specific academic components making up 'liberal studies' (Carr & Mathews, 2004).

To explain the 1996 admission policy more clearly, the Institute's Education Committee illustrated by way of a diagram how the delivery of the accounting courses over the four years should follow a V structure (see Figure 1). The V structure illustrates that, at most, one accounting course was to be studied in the first year, with all the advanced accounting courses being deferred until third or fourth year of study. According to Carr and Mathews (2004), this structure was very similar to the one adopted in the USA at the time.

Figure 1:
Admissions Policy



(Reproduced from Carr & Mathews, 2004, p. 97)

Questions have been raised in New Zealand by accounting students, academics and employers about whether the study of liberal courses is valuable, given that it equates to approximately an extra year of tertiary study, and is costly in time and money for accounting students (Malthus & Fowler, 2005). Fowler & Malthus (2003) suggest that the move from three years of degree level study to four years may be a reason for declining numbers of domestic accounting graduates in New Zealand. In 2006, a second review of the admission policy was conducted. During this review the Institute received 48 submissions that reflected a range of views about the knowledge and capabilities that students should acquire during their academic study (Laswad & Beu, 2006). The liberal component and accounting topics generated more comments than other areas of the academic programme. According to Laswad & Beu (2006), stakeholder views on the IFAC education standards reassured the Institute that the fundamentals of the academic admission model, such as the four years bachelor's degree and a liberal study component, were "sound, relevant and strongly reflect the global trends in accounting education" (p. 10). As a result, the 2006 review resulted in only small modifications. The required accounting and business-related topics and the learning outcomes were modified, followed by a reduction in the required liberal study. The modification to the academic requirements is shown in Table 2.

Table 2:

Comparison between 1996 and 2007 academic requirements (Reproduced from Laswad & Beu, 2006, p. 11)

Academic Requirements (1996 admission policy)	Academic Requirements (2007 admission policy)
Four years of full-time equivalent degree level study at an approved tertiary education institution	Four years of full-time equivalent degree-level study at an approved education institution
A New Zealand degree or a qualification deemed by the Institute to be at least equivalent to a New Zealand bachelor's degree	A New Zealand degree or a qualification deemed by the Institute to be at least equivalent to a New Zealand bachelor's degree
Compulsory coverage of 4-6 (including 2 from the first 3) of the following topics at advanced level: <ul style="list-style-type: none"> • Financial Accounting • Management Accounting • Auditing • Taxation • Business Finance • Accounting Information System 	Compulsory coverage of the following topics: <ul style="list-style-type: none"> • Advanced Financial Accounting • Advanced Management Accounting • Advanced Taxation • Advanced Auditing & Assurance • Advanced Business Finance/Treasury • Advanced Information System • Commercial Law • Economics • Organisational Management • Statistics • Commercial Law
Compulsory minimum coverage of the following topics: <ul style="list-style-type: none"> • Financial Accounting • Management Accounting • Auditing • Taxation • Business Finance • Economics • Organisation Management • Quantitative Methods/Statistics • Commercial law (at least at intermediate level) • Information technology (at least at intermediate level) 	Compulsory coverage of two further stage 3 (or higher) accounting or business courses
35%-40% accounting studies 35%-40% business-related studies 20%-30% liberal studies (incl. one course at stage 2 or above)	At least 15% liberal studies
Waiver of "percentage" requirement: <ul style="list-style-type: none"> • Extended tertiary students who complete degrees in accounting that are higher than bachelor's level and require four or more years of study (e.g. honours, post-graduate diplomas, masters) are exempt from the percentage requirements • Students who complete two (or more) bachelor degrees, including double degrees and conjoint degrees that require four or more years of study are exempted from the percentage requirements. (This waiver does not apply to single bachelor's degrees with a double major) 	Waiver of "percentage" requirement: <ul style="list-style-type: none"> • An academic qualification more advanced than a bachelor's degree (i.e. that builds on, and is higher than, an underlying bachelor's degree) with research component (such as research-based honours degree and academic master's degree) • A post-graduate diploma with a research component equivalent to that of an honours degree • A post-graduate diploma in accounting

Post 2010

In 2010, the most recent academic and professional qualification review took place and the Institute began collaborations with the Institute of Chartered Accountants Australia (ICAA). The collaboration is said to "mark another step towards strengthening New Zealand's economic development with Australia" (NZICA, 2010). The new programme commencing officially in 2013 (shown in Table 3), shows that it will take only six years to become a Chartered Accountant (CA) as opposed to the old programme which took seven years. In terms of the academic requirements, currently students are required to complete a four year bachelor's degree, 30 credits of liberal studies, and the recognised courses required by an Institute-accredited tertiary institution. Table 3 compares the 2007 and 2013 academic requirements.

Table 3:

Comparison between 2007 and 2013 academic requirements (Information sourced from NZICA website, 2012)

Academic Requirements (2007 admission policy)	Academic Requirements (2013 admission policy)
Completion of four year academic study	Completion of three years of academic study
Completion of bachelor's degree	Completion of a bachelor's degree
Completion of 30 credits of liberal studies	Completion of the NZICA required topics:
Completion of the NZICA required topics: <ul style="list-style-type: none"> • Advanced Financial Accounting • Advanced Management Accounting • Advanced Taxation • Advanced Auditing & Assurance • Advanced Business Finance/Treasury • Advanced Information System • Commercial Law • Economics • Organisational Management • Statistics Compulsory coverage of two further stage 3 (or higher) accounting or business courses	<ul style="list-style-type: none"> • Financial Accounting • Management Accounting • Taxation • Auditing • Finance • Information System • Commercial and Corporate Law • Economics • Organisational Management • Quantitative Methods
<ul style="list-style-type: none"> • Students are required to complete 30 credits of liberal studies within their four year programme. "Liberal" refers to general studies that are neither accounting-nor business-related in subject matter. • Students who complete an academic degree more advanced than a bachelor's degree with a research component, a post-graduate diploma with a research component equivalent to that of an honours degree or a post-graduate diploma in accounting will be exempt from the liberal percentage requirement. 	

In contrast, the new programme will require students to complete only a three year bachelor's degree and the recognised courses in the following topics required by the Institute-accredited tertiary institution: Financial Accounting, Management Accounting, Taxation, Audit, Business Finance/Treasury, Economics, Statistics, Organisational Management, Commercial and Corporate Law and Accounting Information Systems (NZICA, 2012). With the elimination of an entire academic year plus the 30 credits liberal courses, without doubt the new requirement will have an impact on the current tertiary accounting education being provided across the nation.

Methods

This study used a qualitative research approach. Semi-structured interviews were conducted to gather the data for analysis. The literature review conducted in the area of accounting education and soft skills aided in the development of the interview questions for this study. A list of soft skills was established from the literature review to aid in the data collection of what the participants perceived soft skills to be.

The questions were developed in order to gather the different perspectives from accounting graduates, partners of the Big4 accounting firms, and NZICA representatives on tertiary accounting education and the provision of soft skills. This

study included 50 accounting graduates. A snowballing technique was used to obtain the participants needed for this research. Nineteen of the interviews were verbal interviews conducted either face-to-face, or via phone or Skype. Thirty one of the interviews were written interviews where an open-ended question document was sent to the participants via email. Definition and examples of soft skills were given to the participants during the interview, or written on the open-ended question document. The aim of the interview was to gather participants' opinions on the importance of soft skills, what soft skills they had acquired through their four year degree equivalent study, and what soft skills they had to use as a graduate accountant. The study was also interested in gathering participants' perceptions regarding the changes in the academic requirements being introduced by NZICA, and the implications for providing adequate soft skills to future accounting students.

Semi-structured interviews were conducted with a partner representative from each of the Big4 accounting firms: PwC, Deloitte, KPMG and Ernst & Young. The aim of the interview was to gather opinions on 'soft skills', and how important/unimportant soft skills are for a graduate accountant in the real business world. Finally, a semi-structured interview was conducted with two representatives from NZICA to gather their perspective on the changes in academic requirement and the impact these may have on the provision of soft skills in tertiary accounting education.

In terms of data analysis, the researcher used an interpretive approach to analyse the data collected. Through the analysed data, the researchers attempted to highlight the importance of the provision of soft skills by tertiary institutions, and how the provision of these skills may be affected by NZICA's new academic requirements.

Results

To triangulate the findings from interviews with the three different groups of participants in this study, the findings have been categorized under the following key themes: 'Soft skills development in tertiary accounting education', 'Soft skills required by accounting graduates', 'Changes in the NZICA CA academic requirements', and 'Suggestions to improve soft skills development in accounting education'.

The demographic characteristics of the accounting graduates (hereafter referred to as graduates) are detailed in Table 4. In total there were 50 graduates, comprised of 21 males and 29 females. This study obtained accounting graduates from 7 different tertiary institutions in New Zealand, with the majority of graduates (44%) from the University of Waikato, followed by 28% from the University of Auckland, 10% from Victoria University of Wellington, 8% from the University of Otago, 4% for both Waikato Institute of Technology and Massey University, and 2% from the University of Canterbury. In terms of firm representation, 70% of accounting graduates were from the Big4 accounting firms, followed by 14% from both mid-tier and other accounting firms, while only 1 graduate was from the small accounting firm category.

Table 4:
Demographic characteristics of accounting graduates

Demographic Characteristics		Frequency
Gender	Female	58%
	Male	42%
Tertiary Institution	University of Auckland	28%
	University of Waikato	44%
	Waikato Institute of Technology	4%
	Massey University Palmerston North	4%
	Victoria University of Wellington	10%
	University of Canterbury	2%
	University of Otago	8%
Firm Representation	Big4	70%
	Mid-tier	14%
	Small	2%
	Other	14%

Soft skills development in tertiary accounting education

Graduates

Graduates were asked whether they think tertiary accounting education should provide soft skills development for students; there were mixed responses where the majority of graduates were of the opinion that tertiary institutions already provide such development (see Table 5), some agreed they do to an extent and some graduates perceived that tertiary institutions should not as soft skills could not be taught. A few graduates had more than one opinion. Graduate 1 suggested that soft skills are “crucial to be developed before entering the workforce, it can be developed over time so accounting education should at least touch base and provide some room for development of these skills.” Graduate 2 noted that tertiary accounting education already provides the soft skills development such as “team work, time management, analytical skills and public speaking skills you learn throughout university work.”

Table 5:
Should tertiary accounting education provide soft skills development for students?

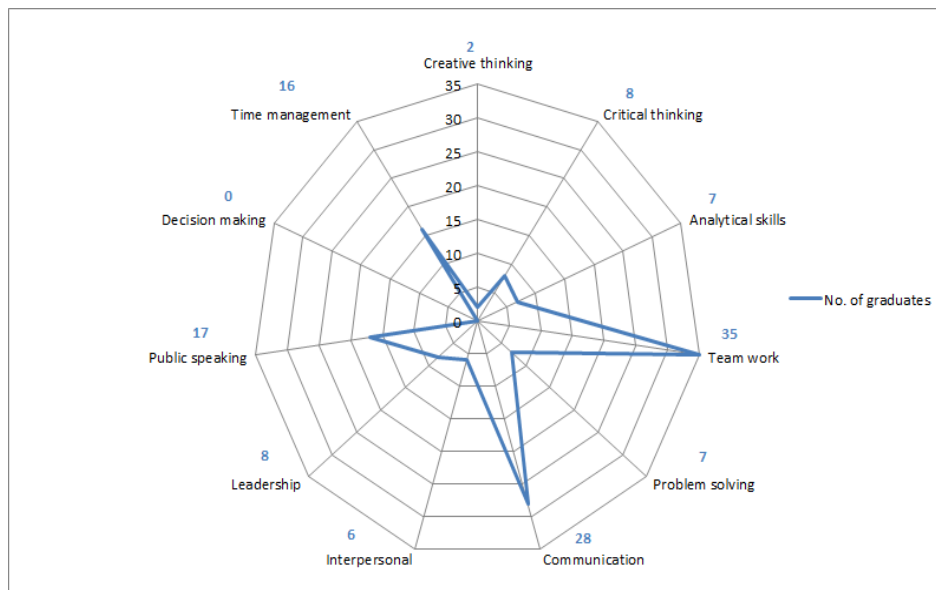
	No. of graduates
University should and already does with all the group assignments	23
University should and already does but it could be improved	13
University should but they can only do it to an extent	10
University shouldn't as soft skills cannot be taught	6

Graduate 4 further stated that certain courses in the degree such as research courses fostered the development of skills which “helped the students to focus on a specific area, be critical and think outside the box.” Graduate 8 supported the view that research courses do not ‘spoon-feed’ the student, “they tell you what you need to do but not how, which is very similar to a daily work context.” Graduate 34 emphasised the importance of soft skills development in tertiary accounting education by further adding “what you know will get you the interview, but how you behave will get you the job.” Graduate 7 noted that it is important for university to provide soft skills development; however, tertiary institutions can only do it to an extent. Graduate 7

further stated that development not only occurs in university work context, but also occurs “outside university lectures and courses and just through life in general.” Graduate 3 reinforced this view by stating that “soft skills are something people acquire by way of experience and time. They are something which a person develops by being exposed to different situations involving different people, such as joining clubs or doing sports.” Similarly, graduate 9 stated that “you develop soft skills more through extra-curricular activities and work experience.” Graduate 21 also agreed, stating that “soft skills are more developed through a person’s own experience in life.” Graduates 11, 12 and 15 indicated that university needs to encourage students to undertake extra-curricular activities and participate in soft skills development workshops. The graduates also further suggested that lecturers should occasionally talk about the importance of soft skills development in class.

Graduate 6 was of the opinion that soft skills do not need to be taught at tertiary education, stating “...by this stage, you should already be competent in communication, but for people who lack soft skills it could be an optional course to take in university, but even then I’m not sure if people would do it optionally.” Moreover, graduates 19 and 20 supported this viewpoint but were of the opinion that “at the end of the day, it depends on the individual, the students themselves.” Graduate 26 noted that “tertiary institutions can try and teach students about communication and team work and responsibility but that student has to have the ability to take that in and mould it into their own personality.” However, graduate 13 expressed the opinion that tertiary accounting education should not have to teach the soft skills as “it is a very personality and individual based thing.” While graduate 16 had a similar opinion, indicating that soft skills are different from one person to another. This graduate further stated that “if people do not have these skills then maybe they are applying for the wrong kind of job.” Graduates were then asked what soft skills they had acquired from a university degree. The results are presented in Figure 2.

Figure 2:
What soft skills have graduate accountants acquired from their university degrees?



Graduates were also asked how during their university years they gained the soft skills that they mentioned. The results are presented in Table 6. As shown in the table, the majority of graduates perceived that they gained their soft skills from university group work. Graduate 7 acknowledged the usefulness of the group work but stated “there wasn’t enough group work in accounting courses.” Graduate 39 also suggested “there needs to be more group work in accounting courses.”

Table 6:

How have graduate accountants gained their soft skills during their university years?

	No. of graduates
University group work	32
University presentations	12
University courses	10
Tutoring	4
Part-time jobs	9
Extra-curricular activities	7
Personal experience (outside jobs/university)	8

Graduate 18 perceived soft skills development were “mostly from non-accounting related courses.” Graduates 14 and 40 mentioned doing an accounting course which involved the integration of financial accounting, management accounting, audit, tax, marketing, ethics, international business and finance and taught students “critical thinking and how to apply skills learnt in a case study approach.” Lastly, graduate 8 stated that the audit courses involved “researching and drafting up proposals to win over clients. These writing skills and communicating skills are very important.” Graduate 45 noted that research skills learnt in university are important in that they enhance problem solving skills. In terms of university group work, graduate 29 mentioned “in some situations groups were selected by lecturers. The experience gained from having to adjust and work alongside people with differences played an important part in me developing these skills.” Graduate 41 indicated “I gained leadership skills when my group wasn’t doing much, learned how to delegate.” Graduate 43 noted that soft skills such as critical thinking and analytical skills were gained during the honours year and stated “lecturers encouraged you work in groups to think about a subject and analyse it instead of just having to learn the facts about a subject.”

Big4 Accounting Firm Partners

Partners were asked what they thought the role of tertiary accounting education was in terms of soft skills development. Partners generally were of the opinion that tertiary accounting education does have the responsibility to provide soft skills development to accounting students. Two of the partners had completed a four year degree and agreed that “the amount of group work and presentation in the degree provides a good basis for accounting students.” Partner 1 also mentioned “the BMS (Bachelor of Management Studies) was a well-rounded management degree and it didn’t just breed accountants”. Partner 4 took a few years off for traveling before deciding to move into accountancy, and stated “those years of traveling basically helped me decide on what I really wanted to do, and gave me motivation when I figured it out.”

Partner 4 perceived that although university has the responsibility to provide soft skills development, the provisions are more to ‘enhance’ the skills rather than develop them as “soft skills come from upbringings, rich conversations and not so much from

university or education." Partner 4 also stressed that the current tertiary education system has down played soft skills development in many ways, and stated "we've lost the ability to dream big and to be visionary due to our education system." Partner 4 further stated "if we change our learning style, then we could provide soft skills." Partners 1, 2 and 4 emphasised the importance of asking students 'why' we do things the way we do, rather than just teaching students the 'what'. University has the responsibility to probe and encourage students to be curious. Partner 2 stated that "university plays a part in encouraging students to do presentation." Partners 1 and 2 also emphasised the importance of university research courses as this "encourages students to go out and interview people, interact with employers and interpret and analyse data." Overall, the partners emphasised the importance of teaching students 'how to learn' rather than 'what to learn' as "once they enter the workforce, they are trained again on what is expected of them."

NZICA representatives

Representative 2 was of the opinion that tertiary institutions will assume a higher responsibility in providing soft skills development. The development will need to begin through a case study methodology, especially in 2nd and 3rd year tertiary level. Representative 2 also noted "the tertiary environment provides a lot of face-to-face teaching which can be used to focus on soft skills development" and further stated, "hard skills can be forgotten easily at tertiary level, but you remember them when you're practising it on the job." Therefore "focus on the soft skills development at tertiary level will be much more beneficial." Representative 2 also emphasised the importance of "teaching students how to learn.... Rather than asking 'can you do a consolidation', you should ask them 'do you have the skills to do a consolidation'." Representative 2 stressed that if accountancy did not challenge such ways of thinking, then "people in finance and marketing will become the problem solvers and accountants may just end up doing the audits." Moreover, representative 1 suggested that accounting students need to engage with university career advisor groups as well as become more involved with local employers while they are still at university; "this will allow them to understand what is required and expected in being an accountant."

Soft skills required by accounting graduates

Graduates

In the interview sessions with graduates, they were also asked to list the challenges they face during their day-to-day work. The results are shown in Table 7. One of the biggest challenges graduate accountants face is 'meeting deadlines'. Graduate 14 stated "sometimes you pick up new projects you'll need to do, some are more urgent than others so you really need to prioritise." Graduate 41 stated "It's not like university work where you can leave it to the last minute and get an average grade. Here, the manager and the client rely on your work." Graduates also mentioned the challenge of dealing with clients, and emphasized the need to have good communication skills to meet such a challenge. Graduate 40 stated "sometimes the client may not want a young 23 year old telling them what to do when they have around 20 years of experience themselves." Graduate 13 mentioned the importance and difficulty of "explaining to a client why certain information would be needed in an audit."

Managing relationships with colleagues and managers is also another challenge that graduate accountants face. Graduate 17 stated "you're always in teams, and in different teams at different times; it's a challenge to be able to click straight away and get on with your work with everyone else." Graduate 30 stated "sometimes you have to tell your manager 'no' to further projects because you can only fit so much in."

Adapting to change was also a challenge because “you’re always in different environments, meeting different people. You need to be able to adjust your working style to who you’re working with and dealing with.”

Table 7:

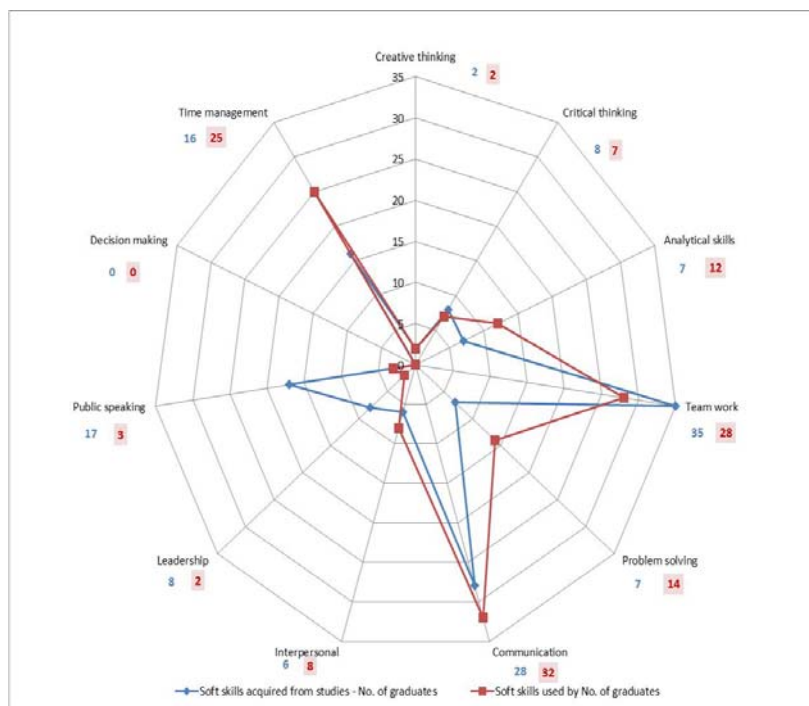
What are the workforce challenges faced by a graduate accountant?

	No. of graduates
Meeting deadlines	36
Dealing with clients	23
Managing relationships with colleagues and managers	16
Having to deal with non-textbook situations	5
Adapting to change	11
Meeting tight budgets	5

Graduates were presented with the list of the 11 soft skills that was established in the literature review section (see Table 1) and were asked to identify from the list their top 3-4 soft skills that they use as a graduate accountant. Graduates were also asked to provide an example of when the certain skills were being used, and explain why those skills are deemed important. Their responses are presented in Figure 3 as a comparison against what they earlier indicated as soft skills that they acquired from university studies. Graduate 18 perceived that analytical skill plays a big part in being an accountant, stating “I have to judge the validity of the explanations I get from my clients based on my knowledge of the client and their business operations.” Another graduate also agreed, stating “analysing financial statement is a key part of insolvency work which plays an essential part of analytical work that we do.” Likewise, graduate 19 noted that “thinking analytically and reviewing your work in an analytical way will ensure you pick up on mistakes before they get passed on to your manager.”

Figure 3:

Comparison of soft skills acquired from university studies and what is perceived as being used by graduates in the workplace



Graduate 15 was of the opinion that critical thinking is important as “in insolvency work you cannot simply accept the information given to you as fact; you have to be critical and ask the appropriate questions about the information you need to be able to make a judgement on the situation.” On the other hand, graduate 22 stated that soft skills could not be separated but, rather, used together, believing that problem solving skills are important because “it also shows how you use analytical and critical skills to find solutions to challenges you find at work.” Likewise, graduate 28 noted that “if an individual can effectively and logically work through a problem without having to concern a superior then it saves time and also the superior’s hassle. This would closely link to creative and critical thinking which helps an individual to solve a problem.” Graduate 3 noted that problem solving at work is nothing like a textbook problem, stating “we have to solve problems and make decisions based on the limited information that we have derived from a client.”

In terms of communication skills, graduate 26 mentioned “as a professional you need to communicate with a range of people, for example clients, work colleagues, banks, finance companies, IRD etc.” Moreover, graduate 7 stated that “communication skills are vital in the accounting world when the job involves talking to clients. How a client perceives you, is how they perceive the company you work for.” Graduate 15 also agreed by further stating that “interacting with clients requires the ability to read a situation and know how to respond appropriately yet professionally.” In terms of importance, 32 graduates indicated that communication skills were crucial because of the need to deal with clients, colleagues and managers.

The second highest category of soft skill was team work skills. Graduate 35 expressed that “it is important that you are able to have good team skills as when there is a conflict, it makes work life quite difficult.” Graduate 43 stated “I’m in a team environment every day; the team size ranges and you need to have the ability to work with every single one of them.” Time management was the third most important soft skill for graduate accountants, with graduate 18 indicating that “as an accountant you have many jobs assigned to you whether it is monthly accounts, or annual accounts or one-off queries from clients. You need to make sure that you manage your time well to ensure urgent jobs are completed on time ahead of non-urgent jobs.” Graduate 16 noted that “a lot of us have more than one audit at a time and we need to go back to the office frequently for meetings so we need to manage our time well to meet all our deadlines.”

Few graduates perceived that leadership skills were essential, stating that “you do not need leadership skills as a graduate accountant but you need to have the ability to develop them throughout your career.” Decision making skills, on the other hand, were also perceived to be a crucial skill but one that would be needed further in the career. However graduate 29 noted that it may be used as early as the second year on the job, stating “although leadership and decision making skills have yet to play a significant role in my position as a graduate accountant, I do believe these skills will be necessary for my second year on the job.”

Big4 Accounting Firm Partners

Partners were asked what soft skills are considered crucial for a graduate accountant in order for them to succeed in their job interview, and when they enter the workforce. Partner 1 stated that soft skills relate to “an individual’s ability to learn, understand how they function and how others function. It is an individual’s self-awareness.” Partner 4 noted the importance of “motivation and curiosity”, and indicated that both of which are something she looks for in a graduate applicant. Partner 2 further stated that an important soft skill required of a graduate accountant is the “ability to listen to what clients have to say.” Partners 1, 2 and 3 all noted that

the top soft skills employers look for are communication skills, time management, team work skills and their analytical skills. Partner 3 also indicated that “graduates are expected to analyse and interpret a lot of data during their first and second year of work”, and therefore, analytical skills are required.

All partners stressed the importance of communication and team work skills in the working environment, with partner 1 emphasizing the importance of “students’ ability to create rapport with one another.” In terms of time management, partner 2 stated “time management gets to students in their first year of work. In audit, they get a week to do their audit and it puts a lot of stress on them.” Partner 3 stated “you can get straight A’s and still not be able to fit in a team.” Partner 4 noted one important aspect she looks for in an interview is “a person’s ability to dream big and be ambitious”, while also acknowledging that these sets of skills may not be able to be taught, but stressed that they could surely be enhanced during university years. Partner 4 further added the importance of being self-motivated, stating “I can’t motivate a person; I can give them direction, but it is up to them whether they want to follow it. Motivation is what makes someone stand out.” Partner 3 mentioned “if you want to go up in your career, you are expected to be good at communication, presentation, and well written skills.” All partners stated that during the graduate selection process, they look for a mix of grades, activities outside of university and, most importantly, whether graduates have the ability to learn.

NZICA Representatives

NZICA representative 2 stated that “accountants need a broad sense of knowledge rather than just accounting... accountancy has expanded the scope of work to business advisory” and emphasised that there are certain soft skills and knowledge that are required of a graduate accountant. Representative 1 stated “these skills include communication and interpersonal skills”, while representative 2 referred to skills such as “thinking critically, problem solving skills, and keeping yourself up to date.” Representative 2 also noted that “people in the profession, even some people who are doing the teaching, still have this traditional view that accountants only need the hard skills” and indicated that it creates a concern as it is blatantly obvious that graduate accountants today need not only the technical skills, but also the soft skills. Representative 2 further stated “at the end of the day, it’s the ones that can communicate and solve problems that we need, the ones who can provide good service to clients.” In terms of the importance of technical skills, representative 1 stated “technical skills change, rules change, and therefore I’m more interested to know how they try to keep their technical skills up to date. I reckon that it’s a much more useful skill to have.”

Perceptions on the NZICA CA academic changes

Subsequently, participants were asked about their opinions on the changes in CA academic requirements made by NZICA. The first question relates to their opinion in terms of: (1) the length of the degree and how it will affect soft skills development (Table 8); (2) the elimination of liberal courses (Table 9); and, (3) how NZICA changes will affect future accounting students (Table 10).

Graduates

Graduates 3 and 4 were of the opinion that the academic changes are beneficial for the students since the fourth year was not beneficial and they would rather have started working instead of studying for an additional year. Graduate 3 also stated “I feel we learn better on the job as opposed to learning in university.” Graduate 1 also perceived that soft skills development should not be affected since an extra year would not make much difference. Graduate 24 stated “if you can’t communicate and

work as a team at the end of your third year, you probably never will.” Graduate 1 also perceived that the changes are “very good as the four years was really not necessary” but also stated “I gained an extra major in com law which I found to be quite beneficial.” Graduate 27 stated that “the fourth year was a waste of time and money.” Furthermore, graduate 40 stated that not much was learnt during the 4th year, stating “3rd year was the hardest and when it came to the 4th year, it just felt too easy and a waste of time.” Strengthening the viewpoint that the fourth year of study was unnecessary, Graduate 5 indicated that these changes “should have been made ages ago.”

Table 8:

How will the length of degree affect soft skills development?

	No. of graduates
3 year degree is sufficient for soft skills development	24
3 year degree is insufficient for soft skills development	15
Number of years wouldn't make a difference in soft skills development	11

Graduate 29, on the other hand, was of the opinion that the changes will do no good to soft skills development, stating “I don't think there was anything wrong with the requirements before so I don't understand why the changes were made. As the saying goes – why fix something that is not broken?” Graduate 8 agreed, stating “my fourth year gave me a much greater theoretical understanding of accounting. This has come in handy when having general conversation or trying to pick up a new technical skill.” Graduate 15 noted that a 3 year degree may give less time for soft skills development and will not adequately prepare individuals for work. Graduate 16 was in agreement with this opinion and indicated that their four degree “was very comprehensive and shortening the requirements would have an adverse effect on the knowledge and readiness of graduates for employment.” Graduate 16 also found the honours year was very useful for developing essential soft skills, and voiced the concern that the changes may result in a possible decrease in accounting honours students. Graduate 17 explained that their degree really valued the extra business courses which involved a lot more team work and presentations than the accounting courses. Graduate 2 also did not support the changes and argued that the “new requirements are closing our thought processes and not expanding our knowledge into other areas that could help in the accounting profession.”

Graduate 11 noted that soft skills development would not be affected by the ‘number of years’ in a degree as students can learn more soft skills outside of university. Likewise, graduate 20 expressed the opinion that the changes to 3 year degree should not make a lot of difference in general since most accounting degrees are 3 years except for one university in New Zealand. Graduate 21 was unsure whether a four year or three year degree would make much difference because it depends on what courses the students end up doing in the final year and whether it has more group work to provide the opportunities for more soft skills development. Graduate 20 and 41 both suggested putting more group work assignments in accounting courses within that three year degree to continue to improve soft skills development. Graduate 13 saw the benefits in both a 3 year and a 4 year degree, suggesting “as long as they provide some sort of integrative approach or internship that gives students the chance to develop soft skills while doing academic study, then I don't see a huge problem with it.”

Table 9:*How important are liberal courses in an accounting degree?*

	No. of graduates
Liberal courses are essential	17
Liberal courses are not essential	19
Good to have liberal courses, but not essential	14

Graduate 2 considered liberal studies to be of importance because “they open you to other areas that could help you in the future. Accounting isn’t all about crunching numbers.” Similarly, graduate 16 noted that “liberal studies as well as core accounting courses are both important.” Graduate 16 also noted the narrow-mindedness of some accountants today and that the change in liberal studies will cause “the biggest downfalls with some accountants.” Graduate 22 emphasised that liberal studies can produce a more balanced person, stating that “liberal studies can make you look at problems from different angles and not just from an accounting frame of mind.” Graduate 12 was of the opinion that liberal studies “can allow students to engage in other interests they may have and help to create a more well-rounded education and person.” On the other hand, graduate 4 stated “I think it is somewhat important to have liberal studies as it gives students a wider knowledge of the world. However, I do not think that it is essential.” Graduates 15 and 41 mentioned that liberal studies options may not be essential, especially if people just do easy courses for ‘high grades’ rather than actually learning something out of them. Likewise, graduate 27 noted “courses need to be of use and practical and not random courses where you don’t end up learning much.”

Graduates 3 and 5 both thought liberal studies were not relevant. Graduate 5 noted “the knowledge gained is so limited because students only have to do one or two courses of a particular subject to complete the liberal requirements. There is no opportunity for students to advance in it, and the basic knowledge will most likely be forgotten.” Graduate 13 suggested that “an alternative option such as studying another major/minor other than accounting, such as finance or marketing would be more beneficial than studying liberal courses.”

Table 10:*How will the NZICA changes affect future accounting students?*

	No. of graduates
Accounting students may not be fully prepared for the workforce	25
Overall, it is very beneficial for accounting students	13
Not much difference	12

As shown in Table 10, fifty percent (25 out of 50) graduates thought a three year degree would not prepare accounting students well enough for the workforce, mainly due to their perceptions on the level of students’ maturity and the possible lack of business knowledge acquired. Graduates expressed the opinion that the learning curve would be higher for students once they enter the workforce. For example, graduate 18 perceived that a 3 year degree is not enough for tertiary students to be fully prepared for work as a “professional accountant”. Graduate 11 noted that “having a 4 year degree was better as it gave people more time for development and allowed them to figure out what they wanted to do.”

Similarly graduate 23 stated that a four year degree “probably allows the student to mature more as an individual and provides them with the opportunity to learn more soft skills.” Graduate 7 stated “some students may be quite young when they start work and might not have the maturity required to work full time.” Graduate 41 stated “an extra year just gives you the maturity. I don’t think I would have been ready if I did 3 intense years.” Graduates also voiced concern as to whether accounting students will be ready to apply for internships and graduate positions a year earlier. Graduate 25 suggested that students may lack the ability to think broadly and that the three year degree is rather short since “most 20/21 year olds don’t really know what they want to do in life.” However, in terms of maturity level, graduate 35 explained that “it depends on whether you want to be committed and get a full time job or you want to still be young.”

Graduate 42 stated “people think the 4 year degree is a waste of time but 4 years gives you a broader focus.” Graduate 39 suggested that “a three year degree won’t breed accountants that think outside accounting. We would not have many diverse accounting students.” Graduate 41 agreed, stating “people coming through will be very accounting focused and not business focused.” Graduate 38 emphasized that accountants need the overall business courses like economics, marketing and finance, adding “especially for the advisory sector you need to know outside the accounting side. But a 3 year degree ends up breeding accountants and not business professionals.” Graduate 18 argued that “we will be getting too technically minded people, and could potentially be less adaptable.” Graduate 41 found the final year to be beneficial in terms of both technical and soft skills, and emphasized that by eliminating a year “there may be a lack of soft skills as well as technical skills and the learning curve will be huge.”

A few graduates thought the changes would benefit students financially. For example, graduates 26 and 31 perceived the changes as beneficial for students due to reduced student debt which will put them in a better position once they start work. Graduate 19 stated that “it is good to shorten the degree as it allows people to get into the workforce more quickly and pay back any student loan.” Graduate 41 mentioned “from a student’s point of view you get a lower student debt, you start work earlier and you learn the practical side of things.” Graduate 21 was of the opinion that a total of 7 years of study to become fully qualified seems excessive whereas 6 years is more manageable.

Graduate 27 perceived that the changes in number of years would not make a lot of difference whilst acknowledging that the changes “will reduce the number of students studying honours.” There seems to be a general concern over the expected decrease in the number of honours students as a result of the changes. As mentioned in the previous findings, graduates who completed the honours year saw it as being beneficial, especially in enhancing soft skills. Graduate 12 explained that there would not be much affected as a result of the change and that “changes will potentially make the job market even more competitive and it might even incline them to stay at university to gain higher qualifications and therefore the three year requirement would effectively be redundant.” Graduates 33 and 45 thought the changes would not affect accounting students much but will probably put pressure on accounting firms and businesses to provide additional training to their new graduate employees.

Big4 Accounting Firms

Partners were also asked what they thought would be the implications of the changes made by NZICA in terms of the implications for students and soft skills development, implications on universities, and finally, implications on the firms. Partner 3 was of the

opinion that the “experiences are lost within the three year degree, but if they can fit group work courses into the three years, then the soft skills needed should still be there.” Partner 4, however, stated “an extra academic year wouldn’t necessarily add value for a student. I’d rather give them work experience earlier on to develop them.” Partners 1 and 2 voiced concerns over courses becoming too technical for the students. They do not favour the technical skills learned in university over the soft skills as partner 1 stated “you could come out of high school with 6th form and 7th form accounting and still be part of the firm because we still train you on what you need to know.” However, this may be different from a small accounting firm’s perspective as there are fewer resources available for them to provide such training. Partner 2 noted “some CAs in the UK came out with a science degree, no technical accounting skills at first hand. Trainings started when they entered the firm.” Partner 3 argued that “the soft skills courses are more important than the technical skills course.” Overall, partners were of the opinion that if the soft skills courses can still be incorporated within the 3 year degree, then the changes should not compromise the quality of soft skills development.

In terms of implications for universities, Partners 1 and 2 noted that “the changes would affect Waikato University the most since the accounting degrees in other tertiary institutions were already on 3 year structure.” Partner 2 further added “students normally did a diploma in their final year and it ended up being a waste of time for them.” Partners 1 and 2 voiced concern over the elimination of some business courses in the BMS (Bachelor of Management Studies) degree and stressed “having wider business knowledge is always helpful.” Partner 1 also mentioned “I used strategic management and marketing in my day-to-day job.” Partner 2 was of the same view, stating “having a balance of marketing and strategic management is what we do. In our day-to-day activities we also do accounting as well as sales for our clients.” Partners 1 and 2 compared graduate applicants from different degrees, stating “you can tell whether a student did a BMS or a BCom (Bachelor of Commerce) as the level of soft skills acquired are sometimes shown through the interview.”

There was an overall consensus on the importance of liberal courses. Partner 2 acknowledged that studying something outside of accounting “may give you an ability to create a different conversation with people.” Moreover, partner 2 stated “clients might want to talk to you about something non-business like, so it would pay to have a wider knowledge background.” Partner 4 could see the benefits of liberal courses but did not think they should be made compulsory. Overall, while partners understood the benefits liberal courses can bring, they did not see them as being essential in a university degree.

With regards to implications for the accounting firms, Partners 1 and 3 voiced concern over the maturity level as students will be applying for summer programmes after the first year of university study rather than after their 2nd or 3rd year. Partner 1 stated “we will need to focus more on our training and development because we want to make sure that our employees are ready to deal with clients and the level of professionalism that goes into this work.”

All partners noted the possibility of facing an increase in the number of students studying accounting, which may essentially increase the competition in the job market in later years. Partner 2 noted “we went from receiving the normal 1100 graduate applications to 1500 this year.” Partners 1 and 2 mentioned the possibility of changing to a more rigorous screening process. Partner 4 stated the implications in terms of the soft skills development for graduate accountants once they enter the workforce: “technical online modules will not in any way improve soft skills development for my employees.” Partner 4 further stated that if post-academic training is reducing soft

skills development, the universities may have a higher responsibility to fill in that soft skill development gap.

NZICA Representatives

According to representative 2, originally, the post-academic development incorporated much of the case study approach, which enhanced students' communication and leadership skills: "We had people in the profession running workshops for graduate accountants for their skill development and we realised the graduates didn't have enough technical skills. We thought the universities were not providing the proper technical skills needed."

Overall, representative 1 perceived that soft skills development would not be affected by the academic changes. However, the representative did acknowledge that the degree structure does "focus more on technical skills but that is to prepare candidates with the technical knowledge they need for the workplace." Representative 2, on the other hand, explained that the changes may affect soft skills development but, noting that while the changes have become more technical, perceived that the changes cannot be viewed solely on an academic level. Representative 2 stated "If you want to see the overall effect, you need to look at the post-academic changes as well." Representative 2 was of the opinion that the changes actually provide more technical skills on the post-academic development because of the "4 online learning modules that includes very technical knowledge learning." This representative further stating, "you can see that the post-academic training has moved from the old case study approach and a soft skills development approach, to more of an online learning approach focusing on technical skills. This change is perceived to provide less soft skills development in post-academic training. And therefore, given that the professionals have reduced soft skills development, then universities will need to have a more case study methodology approach to ensure soft skills development is happening because it is not so significant in the profession anymore." As a result, representative 2 stressed the importance of university being more involved than ever before in ensuring that accounting students are gaining enough soft skills development while they are still at university.

In terms of liberal studies, both representatives understood the value they may bring to accounting students but also stated "some students didn't find it useful." Representative 1 mentioned talking to students and the feedback was that they were not getting much out of liberal studies, leading to the decision that liberal courses should be eliminated. Representative 2 stated "it was sad to see it go, we had difficulties in defining what they were from the very start, but I do see value in students doing liberal courses, whether it'd be history, philosophy, or even a language." Representative 1 also noted that it was not their role to tell students whether one course is more useful than another, and therefore "students end up doing courses that didn't add value to their learning."

Both NZICA representatives stated the financial benefits for students under a 3 year degree structure: "students will have fewer loans to pay and they get to enter the workforce a year earlier." Representative 2 noted the issue of the economic downturn resulting in continual increase in tertiary fees which "puts a lot of stress on family and the student." Therefore, a 3 year degree may seem "more favourable to the student when choosing accounting." Representative 2 also noted that the changes can be seen as "economically driven rather than educationally driven" and suggested that the current economic situation is one of the reasons why changes are more aimed at reducing cost. Representative 2 also stated "the original case studies used in post academic training cost money and time...the changes have reduced a lot of cost for the

Institute due to the change from workshops to online learning modules." Economically, the changes will benefit both students and the Institute.

Suggestions for improvements in accounting education

Graduates

The accounting graduates interviewed provided a few suggestions on how tertiary accounting education could improve its soft skills development. All the interviewed graduate accountants went through tertiary accounting education in New Zealand and thought there were skills which were essential for the workplace which could have been taught during their university years. Graduate 5 stated "I think I mostly developed my critical thinking and analytical skills in my last year at university (my fourth year). This was due to the types of courses I was taking. If it is possible to model the third year courses on the fifth year (honours) courses, I think that would help to develop more soft skills in students in a shorter time frame." Graduate 29 voiced concern over the lack of technical skills actually being learnt in university, stating "I personally don't feel I learned that much in university in terms of technical skills. University gives you the perfect scenarios, perfect problems; in the real world it isn't like that." Graduate 43 stated "the company ends up training you in the technical all over again. I don't feel like I've found the technical courses I did in university useful." In contrast, graduates 32 and 37 felt the third year financial accounting to be of good use, and even suggested "splitting the courses into two so students can actually have the time to absorb all the learning that's involved."

In terms of the compulsory law courses that accounting students have to complete, Graduate 26 stated "law courses should integrate more to what happens in the real world, make it more practical." Likewise, graduate 37 suggested "there is no point memorising the sections in the Acts; rather, make it open book and give us real life cases to analyse." Overall, graduates felt a case study learning approach would be much more valuable than a 'black and white accounting world' which is normally created in a university context. Graduate 33 criticised that "the curriculum is too black and white; this is accounting and this is how you do it. The curriculum needs to be more real and practical."

Big4 Accounting Firms

Partners acknowledged that there are alternative ways to improve soft skills development for students such as through a summer internship programme. Partners agree that the programme is an excellent opportunity for students during their university years to improve their soft skills and to understand what should be expected when they enter the workforce. Partner 1 and 2 also mentioned that soft skills can simply be acquired from students through the life experience of moving away from home. For example, partners 1 and 2 compared graduate applicants between universities and stated "you can tell whether they are from Canterbury, Waikato or Otago because those applicants will have most likely moved away from home; their level of maturity will therefore, be higher."

Another alternative way to improve student's learning is to encourage businesses to be more involved in education. Partner 4 noted "these opportunities give students the chance to network with business people, step outside their comfort zone and find out what is expected from being in this profession." Partner 4 also noted "lecturers need to be more involved in encouraging students to think outside the box, probe in asking them the 'why', and not just teaching the 'what'." Overall, partners were of the opinion that the number of years should not make a significant difference to soft skills development; however, they do stress the importance of having alternative methods

for students to acquire soft skills within the three year degree to ensure that top quality graduates are entering the workforce.

Discussion and Implications of the NZICA (CA) academic changes

Zraa, Kavanagh & Hartle (2011) presented the notion that the main objective of accounting education is to prepare students for workplaces. According to Dixon et al. (2010), in order to fully prepare accounting students, accounting education needs to incorporate both technical and soft skills development. The majority of the accounting graduates agreed with both statements, perceiving that tertiary accounting education plays an important role in ensuring soft skills development occurs, while not neglecting the technical skills. One graduate stated that soft skills are “crucial to be developed before entering the workforce; they can be developed over time so accounting education should at least touch base and provide some room for development of these skills.” Interviewed partners were also of the opinion that it is more important to develop soft skills at tertiary level since the technical skills will be taught again when they enter the workforce.

The list of soft skills that graduate accountants perceived that they had acquired during their university studies was very similar to the soft skills that they perceived to be ‘crucial’ for the working environment. Accounting graduates stated that tertiary accounting education already provides the soft skills development such as team work, time management, analytical skills and public speaking skills throughout university work. Accounting graduates noted that they are expected to analyse and interpret a lot of data, explain and justify certain information to their clients, as well as manage a good relationship with them and the managers. This aligns with Dixon et al. (2010) stating that accountants today need to master the soft skills to communicate, coordinate and solve problems. Nevertheless, while many of the soft skills from the list established by this study were mentioned, there were still certain skills that were not mentioned, or seldom noted by the accounting graduates as being acquired or used in the workforce. These skills include creative thinking, decision making and leadership skills. Accounting graduates did, however, mention leadership and decision making skills as skills that will need to be acquired later on in their careers.

Some of the soft skills that were listed by the AICPA Vision 2011 project were also mentioned by the interviewed partners. Such skills include ‘strategic and critical thinking’ and ‘communication and leadership skills’. While the interviewed partners in this study mentioned communication skills, they also emphasized the ability of accounting graduates to listen, learn, stay curious, and be motivated. One of the interviewed partners reinforced that they look for someone who is self-motivated, and that is what makes an individual stand out. This aligns with Perreault’s (2004) definition of soft skills as personal qualities, attributes and the level of commitment of a person that sets him or her apart from other individuals.

Interviewed partners from the Big4 accounting firms also stressed the benefits of their summer internship programme in not only allowing students to understand what the day-to-day work of an accountant entails, but also enhancing students’ soft skills development. Similarly, findings from Paisey & Paisey (2010) also showed that work placements are an effective way in developing a range of soft skills for students. Other alternative ways to develop soft skills were not mentioned in the literature but were brought up by interviewed partners. For example, one of the partners was of the opinion that although university has the responsibility to provide soft skills development, the development of soft skills could also be enhanced through the

individual's upbringing and rich conversations with people. Moreover, both accounting graduates and partner participants stressed extra-curricular activities as a valuable way to gain additional soft skills and that university lecturers should talk about the importance of soft skills development in class occasionally.

One of the major issues in accounting education mentioned in the literature was the content and design of the current accounting curriculum. Boyce et al. (2001) argue that current accounting education has reduced scope to include soft skills development within the curriculum. A similar issue was raised amongst the accounting graduates. Although they acknowledged that some soft skills have been provided at tertiary level, they thought there were still room for improvement. The findings suggest that accounting courses in the past have been too technical focused with accounting graduates admitting that most of their group work assignments and soft skills learnt at university were from non-accounting courses. Accounting graduates also mentioned the issue of accounting education being too textbook-based. They indicated that graduates who entered the workforce found it hard to face a problem that was not 'black and white' and that the problems they face at work required them to analyse a situation from different perspectives. This issue is also mentioned by Davidson & Baldwin (2005) who argue that although textbooks are a great way to provide technical skills for students, they fail to extend beyond the technical. Accounting education needs to adopt a curriculum that is more relevant and which focuses on real world situations. Healy & McCutcheon (2010) suggests that by incorporating real case studies into accounting courses, students are forced to deal with contemporary issues and apply ideas to new situations and that students will also be forced to interact with others, which will enhance their soft skills development. In a similar manner, one of the NZICA representatives also noted that tertiary institutions need to ensure that they take on a more case study teaching methodology to ensure soft skills development will not be lacking because of the technical focus of the CA-required academic curriculum.

Another issue with the traditional teaching system is the use of memorization as a way to evaluate a student's success in their studies. Mohammed & Lashine (2003) argue that the courses should not "depend on memorisation and extensive use of textbooks" (p.9). Accounting graduates also brought up the issue of memorisation, especially in law courses and the more technical courses. One graduate noted "people forget the hard skills when they are memorised but remember them when it is put into practice." Accounting graduates also noted that courses should not require students to remember certain sections of an Act but, rather, incorporate real cases for students to analyse using the Acts. All three groups of participants stated the need to alter the way accounting students are being taught at tertiary level. There is a strong emphasis from the partners on the importance of asking students 'why' we do things the way we do, rather than just teaching students 'what we do'. The AECC stated that "pre-entry education should lay the base on which life-long learning can be built. In other words, graduates should be taught how to learn" (1990, p. 2). In a similar manner, partners noted "universities have the responsibility to probe students" and "encourage them to stay curious" and that "universities need to teach students how to learn, as well as create a pressure free environment for students to ask questions."

Kermis & Kermis (2010) argue that "technical skills are necessary, but not sufficient for a successful accounting career that includes individual's selection, retention and advancement" (p.1). All of the interviewed partners were of the opinion that in order to advance in a career "you are expected to be good at communication, presentation and well written skills." AICPA states that accountants today are expected to be able to link data and knowledge, provide quality advice for strategic decision making, give and exchange information within meaningful contexts, influence, inspire and motivate others (AICPA, 2011). Interviewed partners perceived that it is always helpful to have

wider business knowledge; not only do they use accounting skills in their managerial role, but they also use marketing and strategic thinking to provide advice for clients. This aligns with Beard & Schwieger's (2008) argument that accountants today need not only to obtain the technical skills, but also to broaden their knowledge in order to provide strategic advice, and gain various soft skills in order to be considered a well-rounded accountant.

When the degree was first changed from 3 years to 4 years, Malthus & Fowler (2005) stated it was costly in time and money for accounting students and New Zealand tertiary academic institutions. Fowler & Malthus (2003) suggested that the four year degree requirement may have been the reason for declining numbers in domestic accounting graduates. All three groups of participants acknowledged the financial benefits that the three year degree would bring to students. A shorter degree gives students a chance to enter the workforce earlier and reduce the amount of student loan. One graduate perceived that 7 years to study to become fully qualified seems excessive whereas 6 years is more manageable. There were contrary opinions from accounting graduates as some felt that the 4th year became a 'waste of time' while some thought the final year very useful. Nevertheless, the majority of accounting graduates were of the opinion that the changes from a four year degree to a three year degree might encourage more students to choose accounting as a major. However, despite the perceived financial benefits, some of the accounting graduates also voiced the concern that the changes might attract the wrong people, and that universities might end up attracting students who just want a degree, rather than aiming to become a true professional. Other graduates who did not support the changes suggested that the "new requirements are closing our thought processes and not expanding our knowledge into other areas that could help in the accounting profession."

According to Laswad & Beu (2006), the four year bachelor's degree plus a liberal study component was "sound, relevant and strongly reflected the global trends in accounting education" (p. 10). A number of interviewed accounting graduates also agreed that the four year degree with a liberal component was worth it and they did not understand why academic changes were made, with one graduate questioning "why fix something that is not broken?" According to Malthus & Fowler (2005), the original aim of incorporating a liberal component was to broaden students' subject knowledge and help them learn a different approach to problems. However, judging from the accounting graduates' feedback, it seems that the value of liberal studies was not communicated to students effectively, with a few of the accounting graduates perceiving that it was valuable as "it produces a better-rounded accountant" and some accounting graduates thinking "it didn't add any value to my learning." Perhaps students needed guidance on which liberal courses would have been valuable to them.

Accounting graduates stated they had no idea what was expected of an accountant during their 1st year of tertiary studies. A possible solution to this discrepancy in expectation relates back to the suggestion made by all three groups of participants, which was to allow businesses and career advisors to be more engaged with the student community. All three groups of participants emphasized that tertiary institutions need to make better use of invited accountants as guest speakers to share their experiences, and to encourage students to attend networking events that were organised by student clubs. These opportunities not only encourage students to build a solid network at an early stage of their tertiary studies but also force the students to step outside their comfort zone to speak to these CA-qualified accountants. Such a strategy may also bridge what Albrecht & Sack (2000) and Cheng (2007) argue as a discrepancy of expectation between providers of accounting education and the employers of accounting firms.

It was interesting to note that although the majority of accounting graduates were of the opinion that a three year degree would be sufficient to provide the soft skills needed, some of the graduates also perceived that the level of maturity of the student may be insufficient. This was one of the main concerns that came through the interviews in that the changes would have an impact on the maturity level of graduates coming into the workforce. Although maturity issues were not raised in the literature review, it was definitely an issue of concern to all three groups of participants. Accounting graduates considered that the learning curve would be higher for students once they enter the workforce, stating "a 3 year degree is not enough for tertiary students to be fully prepared for work as a professional accountant." Another graduate noted "having a 4 year degree was better as it gave people more time for development and allowed them to figure out what they wanted to do." A similar concern was raised towards the graduate and internship programme applications, with a number of the accounting graduates doubting whether students would be "ready to apply for internships and graduate positions a year earlier." A number of participants from all three interviewed groups worried that students may lack the ability to think broadly and to deal with situations maturely and professionally.

Changes in the academic requirements made by NZICA have been a result of various factors. Originally the purpose of changing the academic requirements in 1996 was to broaden students' subject knowledge and teach a different approach to solving problems. The next academic change in 2007 also focused on broadening students' way of thinking and improving their cultural understanding, whilst ensuring the Institute produced members who are also equipped for the international scene. The most recent 2010 change, however, focused on 'providing the proper technical skills needed' and 'to collaborate with ICAA'. Although the reasons regarding the decision to make academic changes were not examined in detail in the historical overview of NZICA, one of the NZICA representatives has noted that the changes made by NZICA are becoming 'economically driven' rather than 'educationally driven'.

A partner from one of the Big4 accounting firms criticised that the education system in New Zealand today has "down played soft skills development in many ways" and that "we have lost the ability to dream big and to become visionary." This is of serious concern. It appears that we have gone through a full circle to return to Birkett's (1992) concerns that there are certain educational issues in accounting that cannot and must not be ignored. Birkett had strongly emphasized the importance of considering the purpose of accounting education. He had argued that consideration must be given to the bodies of knowledge that are relevant to different spheres of accounting work. All three groups of interviewed participants felt strongly that both technical and soft skills knowledge are relevant to accounting work. A strong viewpoint that was expressed by participants in the study was that NZICA, before making any further academic changes in the future, should not only focus on the economically driven factors such as cost, but also consider the educational factors such as the technical and soft skills that should be incorporated into the accounting curriculum to make education relevant and useful to accounting graduates, their employers and society. The old standing debate on the adequacy of accounting education comes back into play; that is to say yet again, without substantive changes to the current accounting curriculum, future accountants will not receive the preparation they need to meet the increased demand from their profession (Reckers, 2006; Cheng, 2007; Zraa, Kavanagh & Hartle, 2011).

Conclusion

The aim of this research was to examine the role of accounting education in the provision of soft skills to accounting students, and how this may be affected by the recent changes in CA academic requirements undertaken by NZICA. Accounting graduates, partners and NZICA representatives were interviewed in order to gauge their perceptions on this issue. It was found that all but only a small minority (six) of the accounting graduates (from 50) were of the opinion that tertiary institutions have a responsibility to provide soft skills development for accounting students.

Accounting graduates also stated that the majority of their soft skills development in tertiary institutions was acquired from non-accounting courses. Consequently, there are areas for improvement in terms of soft skills development within the accounting education curriculum. Accounting graduates perceived that they acquired useful soft skills during their tertiary studies and that these have helped them in their career. In terms of liberal studies, the majority of accounting graduates thought it was not essential to incorporate this component in the degree. However, partners and NZICA representatives acknowledged the value that liberal courses may bring to the education arena. Our findings also showed that the majority of accounting graduates were of the opinion that the number of years in a degree should not affect soft skills development in tertiary accounting education; however, a few of the graduates did acknowledge that the change may result in a more technical curriculum. It was found that all three groups of participants were more concerned about the approach to how soft skills and technical skills were being taught. All three groups of participants were also concerned about the level of maturity accounting students will have from completing a 3 year degree as opposed to a 4 year degree.

Findings from this study indicate that, due to the recent academic changes to the accounting profession's CA requirements, tertiary institutions may hold a greater responsibility in terms of soft skills development. It would appear that post-academic training has become more technically focused. Increasing reliance will be placed upon the tertiary institution to ensure that future graduates going into the workforce will not lack the soft skills required for them to perform satisfactorily. It was also indicated by participants that accounting firms and employers may have to take on the additional responsibility in providing soft skills training to their new intakes of accounting graduates.

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