

Can Universities Help to Satisfy Accounting Practitioners' Needs: A Survey of Responses of Accounting Academics' to Accounting Practitioners' Perceptions of Weaknesses and Strengths of Accounting Graduates in Hong Kong

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Structured Abstract

Purpose: This study seeks to obtain Hong Kong accounting academics' responses to weaknesses and strengths perceived by major accounting employers of Hong Kong accounting graduates. **Design/ Methodology/ Approach:** This is a qualitative study consisting of two phases. The first phase relates to identifying the weaknesses and strengths of university graduates by sending a Likert-scale questionnaire to the big-4 accounting firms. The second phase consists of interviewing accounting academics. In areas where improvements are sought, suggestions for remedial activities from each surveyed institution as well as the reasons as to why some institutions cannot help are recorded. In areas where the graduates have done well, the institutions' responses include whether these have been the results of their efforts, or that credit cannot be claimed.

Findings: Common approaches suggested to enhance the skill sets in several areas include the use of case studies, instructional materials and exam questions that are unstructured and ambiguous, projects or presentations requiring interactivity and encouraging students to participate more in student and external activities with the universities arranging more internships, study tours and exchange programs. The use of the aforementioned factors also contributed to accounting graduates doing well in several areas.

Research Limitations: This paper is based entirely on a survey of expert opinions from both major accounting employers and accounting academics. It would not be appropriate to use statistical tools under these circumstances.

Practical Implications: The results of this study can be used as a reference by accounting academics in countries or jurisdictions where the educational and business environments are similar to those in Hong Kong.

Social Implications: After reading this paper, accounting practitioners would have a clear understanding of what universities can and cannot do in the nurturing of the expected skillsets of accounting graduates. Hence, they should not point fingers at accounting academics for doing a less than adequate job for not being able to overcome some of the perceived weaknesses of accounting graduates.

Originality: This is a topic that has never been explored previously.

Keywords: Accounting graduates, strengths and weaknesses, generic and technical skills, accounting employers, AECC initiatives

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Introduction and Literature Review

Introduction

Throughout the twentieth century, accounting practitioners in the United States were not happy with the way that universities had been turning out their accounting graduates. Curriculum and pedagogical considerations placed heavy emphasis on the technical aspects of accounting at the expense of a general, broad-based education. Thus, accounting graduates lacked the critical thinking, problem-solving, communication and many other generic skills deemed essential for entry-level accountants. The Accounting Education Change Commission (AECC) was formed in 1989 with a mandate of resolving this problem. The aforementioned situation was mentioned by numerous authors in the United States from the eighties to the nineties, including Nelson (1995), Subotnik (1987), Zeff (1989), Langenderfer (1987), etc. Even after the implementation of the 150-semester hour requirement of the American Institute of Certified Public Accountants (AICPA) in 2000, the problem of practitioners' complaint of universities' accounting curricula drilled students in rote technical memorization at the expense of the broader business, communication and analytical skills they needed in a real world, continued (Myers 2005).

Literature Review

Notably, much of the accounting education literature in the new millennium comes in the form of repeating the spirit of AECC requirements. For example, Albrecht and Sack (2001) reported on the severity of the problems facing accounting education as a result of changes in business from globalization, technology and investor power in the capital markets. Williams (2000) and French and Coppage (2000) all described the challenges facing accounting education and the profession, most of which were curriculum-related and teaching approach-related and were covered in the AECC initiatives. Burnett (2003) identified four top-rated professional skills essential for accounting graduates, being analytical / critical thinking, written communication, oral communication and decision-making. Again, these were suggested by AECC. However, some academics and practitioners noticed that the situation has improved, possibly as a result of the 150-semester hour requirement.

Mohamed and Lashine (2003) repeated the same problems of globalization and technology as Albrecht and Sack (2001) and suggested that the competency levels of accountants should be improved, despite the fact that Thomas (2000) already reported on the CPA Vision Process, focusing on the competencies and values accounting professionals need to be competitive then and in the years ahead. These competencies are functional, personal and broad-business-perspective and are in line with the technical and generic competencies stipulated by the Hong Kong Institute of Certified Public Accountants (HKICPA) which will be discussed later in this paper.

Many English-speaking countries are followers of AECC initiatives. A large number of authors in the United Kingdom (UK), Australia and New Zealand cited the use of AECC initiatives and referred to a long list of related articles written by accounting academics in the United States, particularly the Albrecht and Sack (2000 and 2001) publications on the perilous future of the accounting profession. For situations in the UK, these authors include Byrne and Flood (2003 and 2005), Lyall (1985), Gray and Collison (2002), Dewing and Russell (1998) and Hill and Milner (2005). For situations in Australia and New Zealand, the authors include Subramaniam (2003), Tippett (1992), Cable et al (2007), Mathews, R. L. (1990), Mathews, M. R. (1994, and 2001), Carr and Mathews (2004), Wolnizer (2004) and Henderson (2001). The need for accounting education reform was not confined to English-speaking countries. Lin et al (2005) reported that accounting educators, practitioners and students in China were dissatisfied with the present delivery of the needed knowledge and skills and that accounting education reform was not only necessary, but imperative.

More specifically, academics researched into the skills that employers felt were important and areas where accounting graduates lacked. For example, Arquero et al (2001) examined the importance employers of management accountants placed on skills and found these included written and verbal communication, organization and delegation, use of multidisciplinary knowledge in problem-solving and workload organization. Numerous studies in this area showed students lacked an understanding of new technology, communications skills, business ethics, business globalization and multidisciplinary approaches to business decision-making (Simmons and Williams 1996 quoting Sloan 1983, Bloom and Debassay 1984, McTague 1984, Andrews and Sigband 1984, Lander and Reinstein 1986, MacNeill 1987, AICPA 1988, Patten and Williams 1991).

Simmons and Williams (1996) found out the areas in which students were under-prepared, adequately prepared, and over-prepared. He had the following to say regarding inadequate preparation.

“CPA firms felt that entry-level accountants fell short of practitioners’ expectations in many areas, including (from most to least important) written communication, tax accounting, oral communication, tax research, understanding the business environment, use of accounting software, management advisory services, computer science and management. Educators should give adequate instruction in accounting theory, financial accounting, auditing, ethics, finance and business law. Industry practitioners felt that entry-level accountants were ill-prepared in seven of twenty two categories and suggested that remedial actions should begin with written / oral communications and continuing with understanding the business environment, accounting software applications, management, systems analysis, and management advisory services, in that order. The four fields that these practitioners were satisfied were: applied financial accounting, accounting theory, finance and computer science” (Simmons and Williams 1996, page 3).

Purpose of the Study

As a university accounting educator, the author is motivated to find out: (i) what major accounting employers in Hong Kong find are accounting graduates’ weaknesses and strengths; (ii) can universities in Hong Kong help to improve these areas of weaknesses and how; and (iii) whether the strengths are a result of the universities’ effort. This study can be used by universities in other countries or jurisdictions as a reference when designing curricula and pedagogical approaches for accounting programs if the educational and business environments in these jurisdictions are similar to those of Hong Kong.

Research Method

This is a qualitative study consisting of two phases. The first phase relates to identifying the weaknesses and strengths of university graduates by sending a Likert-scale (5 ratings ranging from strongly agree to strongly disagree) questionnaire consisting of 38 questions (27 generic and 11 technical) giving the complete set of generic and technical competencies required by the HKICPA to the Human Resources (HR) Partner of each big-4 accounting firm.

See Appendix for the completed questionnaire. The number indicated for each rated item is the number of firms giving that rating with a total of 4 for each item. For example, question 1 under Cognitive or Intellectual skills shows one firm rating the item as "2" (disagree), two firms rating as "3" (neither disagree nor agree) and one firm rating the item as "4" (agree). The HR Partner of each firm will then coordinate the survey within his or her firm and compute the mean score for each item rated. Follow-up interviews clarifying the philosophy behind the ratings were conducted with one representative partner of each firm, chosen by the HR Partner for his or her familiarity with the business practice of the firm as well as an interest in accounting education such as serving on advisory boards of universities and education committees of the HKICPA. Only the big-4 firms were chosen as of the over 1,300 accounting firms operating in Hong Kong, the big-4s recruited 55.4% of all accounting graduates (Chen 2013).

The list of 38 items in the questionnaire serves only as a general framework and the firms are at liberty to add other items of weakness or strength to the lists. In naming the areas where accounting graduates have done well or where improvements can be made from the HKICPA list, the following should be noted as discussed with the big-4 firms:

- Not all items that are rated as "2" or lower will be brought to the universities' attention, as some generic skills according to the big-4 firms could be better nurtured by the accounting firms, or through social or environmental factors, such as peer groups and parental upbringing.
- Areas where only one firm believes that graduates have done well will not be mentioned to the universities (based on conservatism).
- Areas where at least one firm believes that graduates are not up to par will be discussed with the universities (based on conservatism).
- Items marked with an asterisk are HKICPA required competencies.
- Items related to technical skills are so labeled.

As a result of the aforementioned exercise, a list of nine items has been identified for improvement. Another list of nine items where accounting graduates have done well has also been identified. These lists are reported as follows:

Items where improvements can be made:

- Sense of risk (not risk management subsequent to crisis taking place).
- * Creative thinking and ability to deal with unstructured and unfamiliar problems and situations.
- * Recognition of historical, social and political perspectives and constraints.
- * Adequate level of English competency in both written and spoken communication.
- * Ability to communicate clearly and effectively, using diverse people or groups in a global environment.
- * Read, critique and judge the value and contribution of written work.
- * Effective interaction with culturally and intellectually diverse people or groups in a global environment.
- * Business environment in the PRC (technical skill)
- Corporate finance (the practical side of financing, other than CAPM and portfolio theory, etc.) (technical skill).

Items where graduates have done well:

- Able to learn things quickly.
- Flexible and able to adapt themselves to changing situations (could be a weakness when not being assertive when warranted).
- * Personal integrity and ethical conduct.
- * Capacity for leadership and team-work.
- * Ability to listen effectively.
- * Generic accounting skills (technical skill).
- * Auditing (technical skill).
- * Ethics (technical skill).
- * Information management and understandings (technical skill).

The second phase is to send the two lists to the Heads of the Department of Accounting (HoD) at eight universities and one degree-granting college. With the exception of the author's home university which is not included in this survey, the nine institutions represented the entire population of degree-granting tertiary institutions at the time of the survey. The nine institutions are (i) The University of Hong Kong (HKU), (ii) The Chinese University of Hong Kong (CUHK), (iii) Hong Kong University of Science and Technology (HKUST), (iv) Hong Kong Polytechnic

University (PolyU), (v) City University of Hong Kong (CityU), (vi) Hong Kong Baptist University (HKBU), (vii) Lingnan University (LN), (viii) The Open University of Hong Kong (OUHK) and (ix) Chu Hai College of Higher Education (Chu Hai)

The HoD of each institution is asked to conduct a departmental meeting and to go over the two lists with departmental colleagues. For the list of weaknesses, they have been asked to come up with suggestions as to how universities can help to improve. Where universities are unable to offer remedy, the explanations will have to be given. For the list of strengths, they have been asked to claim credit for their efforts or state why such claims cannot be made. It was indicated to the HoDs that consensus must be reached for views presented on each item in the two lists at each institution. The responses are then discussed with each HoD and recorded during a 90-minute interview.

Findings from Interviewing HoDs at Universities

The following represent universities' responses to the situations of satisfactory versus unsatisfactory performance as revealed through interviews. Where practical, the researcher adds his comments or citations to support or refute the responses.

Items where improvements can be made:

Sense of risk (not risk management subsequent to crisis taking place).

Most universities feel that introducing more case studies relevant to this area and providing students with more training in portfolio analysis and selection would help, as investment risk would be the type of risk that most graduates would encounter. This view supports the promotion of the use of case studies by Scofield (2005) and Boyce et al (2001).

In addition, students should be encouraged to be more participative in investment clubs. Others (CUHK, HKUST, OUHK) feel that this is not something that universities could help. An example would be that "Hong Kong university students are mostly individuals achieving good results in secondary schools in order to get into universities. It has been smooth sailing all the way along and would have little sense of risk as they do not have a sense of insecurity.

Nowadays, Hong Kong families are small and parents tend to over-protect their kids, resulting in even less sense of risk on the part of the latter. However, when they graduate from university and start working, they would gradually pick up the sense of risk. This is a process of maturity" (OUHK representative). The researcher concurs with this latter view, but feels that universities do have a role to play as described by most interviewees.

*Creative thinking and ability to deal with unstructured and unfamiliar problems and situations.

All would agree on reducing the technical content and using more course materials involving unstructured and interdisciplinary mini-cases in teaching and developing more open examination questions of the same nature. HKU presents a slightly different approach. "Internships and exchange programs can be used to nurture students in dealing with unstructured problems", said the HKU representative. The positive effects of accounting internship on subsequent academic performance has been studied by Kwong and Lui (1991) in Hong Kong. The CityU representative, while agreeing with others, pointed out a valid argument in not using the unstructured approach. "Faculty members are likely to shy away from this approach as it is very time-consuming to mark unstructured exams and to use unstructured material. Furthermore, they are not rewarded on teaching, but only on research productivity". This, in the researcher's mind, is precisely one of the stumbling blocks towards effective implementation of all AECC initiatives. Testing the breadth of knowledge and defining the examiners' expectations on unstructured general business material would indeed be challenging (Burke and Maccarrone 2000).

*Recognition of historical, social and political perspectives and constraints.

All would agree that the move from a three-year to a four-year program in 2012 at Hong Kong universities would help, in that courses in history and political science, etc., can be incorporated either as required or elective courses within the accounting program. This is indeed useful, as Wolnizer (2004) claimed that practitioners in Australia and New Zealand were looking for graduates who knew the broader political, social and economic contexts within which business took place and recognized that communications, analytical and problem-solving skills were best developed through a broad-based education, thus supporting the first of the eight AECC initiatives.

HKBU provided a contrast. "It is felt that current four-year programs would not help as instead of building liberal arts courses into accounting programs, universities tend to use the additional year to offer double-majors from the same Faculty". This in the researcher's view may be an individual case. HKUST is already offering joint concentrations under a three-year program.

Other suggestions include:

"Having students attend workshops on social and political events sponsored by either the universities or associations and encourage them to attend external academic festivals on these topics" (HKBU).

"Integrate historical, social and political perspectives into lectures and class discussions. Make students aware that these attributes are both an HKICPA generic competencies requirement and what major employers are looking for as students tend to focus more on what they are required to do" (Chu Hai). This may be difficult as Williams (2000) pointed out that integrating accounting with other disciplines was a challenge.

"Universities currently do give students the opportunity to cite political and social implications in assignments and exams. This would not be a recognition problem, but an exposure problem. Universities could encourage students to subscribe to the Wall Street Journal, etc., and to read more newspapers" (OUHK).

"More university connections with the society, more guest speakers on these topics and more student enrichment programs for recruiting would all help" (HKU).

*Adequate level of English competency in both written and spoken communication.

One institution identified the problem of poor English competency at the university level and suggested a solution.

"The problem lies in the fact that the University Grants Committee average admission score does not take into account the performance in English. Most Hong Kong students are admitted into universities without adequate preparation in English. In addition, students insist that lecturers distribute handouts.

Students tend to memorize handouts only and do not read the textbooks. Lecturers' ratings would suffer if handouts were not given. The use of course and teaching evaluations should be curtailed" (CityU).

Suggestions to improve include more exchange programs with international universities (CityU), increasing use of English as a medium for instruction (CUHK), and using more presentations and written reports in courses (LN). Four institutions presented a different view. "Such language proficiency should be developed at the elementary and secondary school levels with universities offering remedial courses if they are not at par" (HKBU, Chu Hai, OUHK, PolyU). Indeed this is true as English language proficiency cannot be acquired only at the university level. All of the above views are valid, with CityU and CUHK being constructive. In addition, Godwin et al (1991) suggested using a variety of approaches to encourage class participation and the Lingnan suggestion of using more presentations and written reports is one way to invite active participation as there is usually a question period from the floor after each presentation. Two universities suggested a measurement for the amount of English proficiency acquired during the years of university. "We suggest using entrance and exit or pre and post English tests" (HKU, HKUST). This should provide evidence in ensuring that the remedial approaches used are indeed effective.

*Ability to communicate clearly and effectively, using diverse people or groups in a global environment.

All agreed that courses should be designed in such a way to be more interactive with discussions and debates by using more case studies in all business courses. Lecturers should teach less and be more of a facilitator of the learning process and having small groups of students discuss each case and presenting the findings to the class. In addition, other ideas are also presented. "Most universities have a required course in business communication. Communication ability is also affected by the individual's peer group when young" (HKBU).

"Students should be encouraged to participate more in student union functions and activities, but they may not have the time as they tend to focus more on their studies in Hong Kong" (Chu Hai). "Universities should arrange more exchange programs for students with durations of six months to a year" (LN).

All of the aforementioned are valid suggestions for improving communication as per the researcher. Having more case discussions in class while most effective, require class sizes to be small. The funding issue has to be considered.

*Read, critique and judge the value and contribution of written work.

“Universities could assign more projects asking students to critique on articles they read. For example, the recent sub-prime crisis has caused accountants to question the validity of fair value accounting which was just adopted in Hong Kong in 2005”, said the CityU representative. Chu Hai and OUHK echoed this view. Others presented interesting views. “This is not easy to accomplish. If the course on accounting theory can be made compulsory, it could help as the course deals with many topical areas, the theories and concepts of which could be controversial, thus nurturing students’ ability to critique and evaluate” (HKBU). “Taking courses in philosophy or literature should enhance students’ ability in this regard” (LN). PolyU adopts a similar view, but the emphasis is on taking humanity related courses that focus on classics and the philosophy of Confucious. “Case teaching would help as it elaborates thinking” said the HKU representative. HKUST presents the view of a contrarian. “The universities cannot do much as this type of ability is developed as part of the maturity process”. The researcher feels that all aforementioned views are valid, particularly the one mentioned by CityU on critiquing articles read and echoed by Chu Hai and OUHK, as well as the one indicated by HKBU on critiquing controversial accounting theories. These critiquing efforts would produce the same deep and elaborative learning skills with conclusion-oriented outcomes (Boyce et al 2001; Schmeck 1983), as the case approach suggested by HKU.

*Effective interaction with culturally and intellectually diverse people or groups in a global environment.

All agreed that exchange programs and encouraging students to live in the hall with international students should be very effective in enhancing students’ cross-communication skills. While HKBU agree that exchange programs are most effective, they pointed out a hurdle. “Unfortunately, for the time being, there are more students coming this way from other countries than our students going abroad, as the HKICPA does not recognize courses taken elsewhere”. From the researcher’s knowledge of the HKICPA requirement, this is only partially true, as it only applies to tax and business law.

*Business environment in the Peoples' Republic of China (technical skill).

There is general consensus that universities could arrange more exchange programs and more study tours for PRC-related courses with PRC professors teaching a portion of these courses, but with the exams being graded in Hong Kong. Other suggestions include the following: "Internships with employers that do extensive PRC business will help" (PolyU, CUHK). "Universities should only be teaching courses on general PRC environment, such as the PRC economic system, tax system and public finance policy and not the detailed rules and regulations that change from time to time" (HKBU). "Courses on PRC accounting, law, etc. would help" (OUHK). "Offering courses in accounting and regulatory environment in China would give students the overall picture of China's business environment. However, as rules and regulations change often, life-long learning in this area becomes a must" (LN).

The researcher concurs that universities can only give students the broad picture of PRC business, with PRC internship exposure giving them the practical knowledge of rules and regulations. This is because the rules and regulations in this area do change constantly and only those in accounting firms who follow this area closely would be up-to-date (assurance partner of one of the big-4s).

Corporate finance (the practical side of financing, other than CAPM and portfolio theory, etc.) (technical skill).

The general consensus is that universities should use more guest lecturers who are experts in the field of corporate finance and with senior management experience as regular university faculty members do not have the practical experience to teach practical side of finance.

This view has been supported by Williams, K. (1991), Hill (1991), Bailey (1995) and Broom and Morris (2005). CUHK presented a different view. "It would be desirable but difficult for universities to be involved in the practical side of finance. Instead, more ethical issues should be incorporated into finance courses as a result of the recent sub-prime crisis". Two universities did not feel that it would be the university's responsibility to teach the practical side of financing. (1) "Program curricula are developed according to what industry needs.

Therefore, this would not be a general problem as employers cannot expect graduates of any profession to be equipped with practical knowledge and skills in an entry-level position" (OUHK). This view supports that of McCartney et al (2002) in that accounting educators now are more sensitive to market demand in their course design and pedagogical considerations. (2) "Universities should be training the student on their ability rather than techniques" (HKUST). The researcher agrees with these views that unless students have been exposed to practice during internships, employers should not expect graduates to possess practical finance knowledge upon graduation and that the occasional spicing up of information sessions with guest lecturers would expose students to the practical side of finance.

Items where graduates have done well:

Able to learn things quickly.

Four institutions did not claim credit for this area that graduates did well. "It appears that Hong Kong students are able to learn the things they feel are of immediate benefit to them quickly such as IT. Students have a good foundation from elementary and secondary schools before they enter university" (CityU, HKBU, Lingnan, PolyU). Two institutions while not claiming credit, presented interesting views. "This is due to the Chinese culture. Chinese focus a lot on studying, but unlike the westerners, are not necessarily interested in studying. When one studies more, he or she should learn things quickly" (Chu Hai). "The competitive environment in Hong Kong forced them to learn things quickly" (HKUST). On the other hand, three institutions felt that universities have helped students in learning quickly. "Internships with practical on-the-job experience and exchange programs enabled accounting students to learn things quickly" (CUHK). "Universities have been successful in this regard as the students have been taught how to learn instead of resorting to rote memory. That is why they can grasp things quickly.

"Learning how to learn" is also one of the US Accounting Education Change Commission (AECC) eight initiatives" (OUHK). "The application-based learning throughout the accounting program helped students to learn quickly. This is unlike medicine where much is dependent on rote memory" (HKU).

These in the researcher's view, are all valid, but would depend on whether the university is able to arrange internships and exchange programs on a continuous basis and entice faculty members to use innovative teaching strategies in training students to turn away from rote memorization.

Flexible and able to adapt themselves to changing situations (could be a weakness when not being assertive when warranted).

Several institutions felt that graduates in Hong Kong are flexible, but not because the universities have done anything to help. "Flexibility and ability to adapt are not taught by universities. Hong Kong is populated by immigrants from the mainland when one looks at the City's history. These people endured hardships in getting used to a new environment, later on governed by the British and subsequently the Colony is returned to China. In each era, Hong Kong immigrants have learned to adapt themselves to the new environment. Flexibility is a must for people willing to take on these challenges for a better living" (CityU). "Hong Kong people in general are more adaptable to the environment they are in as the Hong Kong economy is largely affected by China and other parts of the world. Many essential items are imported, eg. water. This is not taught by universities" (HKBU). "Hong Kong people traditionally are able to accept more challenge as they have to face a lot of adverse situations. The Hong Kong society is not like the western societies where the social benefits are good" (Chu Hai). "Graduates are flexible and adaptable because of their knowledge of the general environment through the Internet. In addition, most public institutions have established exchange programs that offer students the international exposure" (LN). "This is entirely because of survival within the global economic environment and has nothing to do with universities" (PolyU). On the other hand, two institutions disagreed that graduates are flexible and adaptable. "It is felt that Hong Kong students are not necessarily flexible and adaptable. In fact as previously discussed, they lack creative thinking and the ability to deal with unstructured situations. Therefore, no comment can be offered" (OUHK). "Hong Kong students are not flexible in that they complain when the lecturer dismisses the class late" (HKUST).

The researcher feels that the latter views are personal as flexibility and adaptability have more to do with fitting into the environment one is in rather than the lack of creative thinking or improper learning attitude, and that Hong Kong students are adaptable because of environmental needs.

* Personal integrity and ethical conduct.

Institutions are split between whether this has anything to do with universities. For institutions that believe universities have little or no role to play in this, they have this to say. "The disciplinary approach used in elementary and secondary schools in Hong Kong has taught students to obey orders and to discern what is right from the wrong. As such these students already conduct themselves ethically when entering university" (CityU). "Universities play a minor role in making graduates ethical. As Hong Kong had been under the British ruling for nearly a century, the citizens are generally law-obeying and are willing to abide by western civilization which generally considers integrity and ethical conduct as important elements of a human being" (HKBU). "Integrity and ethical conduct will have to be nurtured under parental guidance when young and not taught at the university level" (Chu Hai). "The cultural background in Hong Kong emphasizes less greed and team value. This helps in nurturing ethical conduct" (PolyU). "This all depends on the social environment. One can see that the level of integrity and ethical conduct differs between Hong Kong and the mainland" (HKUST).

On the other hand, some institutions do feel that universities have helped to achieve this. "Having ethics built into each accounting course helped in developing accounting students' integrity and ethical awareness" (HKU, CUHK). This view coincides with the views of Nazario (1990), Pellegrino et al (1985) and Smith and Bain (1990). "As professional courses are being taught, a certain amount of professionalism is instilled. This requires learners to be ethical" (OUHK). "Graduates are well aware of the importance of ethics and most accounting courses emphasize ethics" (LN). The researcher believes that pre-university exposure of any kind shapes the mindset of an individual of wanting to be ethical or devious in accordance with the ethical values assigned to each scenario and that university training in ethics helps them to identify and resolve ethical issues. However, highly disciplined and law-abiding citizens can still be unethical, depending on the personal values of an individual which may differ from those of the vast majority.

* Capacity for leadership and team-work.

Three institutions (HKBU, CityU, Chu Hai) did not think that all university accounting graduates possess leadership and team-work skills as the big-fours select the best students. However, several universities felt that they have helped in bringing the students to that level. "Universities could help by encouraging students to participate more in organized group activities such as the Drama Society where leadership, planning, organization and team skills are nurtured" (CityU, LN, HKUST, HKU). "Use of case studies discussion in small groups helped with the leadership and team-work capacity" (CUHK, HKBU, Chu Hai, OUHK, HKU, HKUST). The aforementioned refers primarily to team-work skills and some institutions felt that leadership skills are different. "Leadership could only be nurtured effectively when young by parents and by peer groups when children learn to make up their own minds and not follow others blindly" (HKBU). "Hong Kong students in general do not have leadership skills. As for team-building skills, it is envisaged that they are nurtured at the secondary school level with team project work. Universities have less influence in this regard" (Chu Hai). On the other hand, PolyU felt that only the cultural environment shapes these skills. The researcher is of the opinion that all aforementioned are valid in contributing to graduates' success in this area.

* Ability to listen effectively.

Respondents of the Novin and Pearson (1989) study indicated that listening skills are one of the four essential skills for entry-level accountants. On the other hand, CityU and HKBU did not think that this is trained by universities as students tend to listen attentively and catch whatever is beneficial to them. "University lectures are conducted in such a manner that require students to listen attentively in order to benefit from these lectures", said the OUHK representative with a slightly different perspective. Others believed that schooling does help. "Taking English courses in an interactive environment helped to develop students' effective listening capacity" (CUHK). "Listening skills are also nurtured at the secondary school level as the mode of teaching and learning requires pupils to listen attentively" (Chu Hai). The researcher believes that all these views are valid, particularly the CUHK one. However, various approaches ought to be considered to make the session interesting in order to encourage active participation and listening (Godwin et al 1991).

* Generic accounting skills (technical skill), * Auditing (technical skill), * Ethics (technical skill), * Information management and understandings (technical skill).

As these four items are all technical in nature, they are grouped together since the responses are the same for all four items. While the responses vary among the institutions, some common groupings can be observed and are listed below.

CityU and HKBU both emphasized the technical nature of most courses in the accounting program. "Universities in Hong Kong follow the technical skills requirement of the HKICPA very closely" (CityU). "Hong Kong accounting graduates do well in all technical aspects of accounting courses as there are too many of these technical courses. Many accounting sub-discipline courses are year courses rather than semester courses. There is a tendency to over-teach on the technical side and not leaving enough room in the program for liberal arts courses" (HKBU).

On the other hand, four institutions saw diligence and the technical nature of the exams as being the driving force. "University students do well with technical skills because they study the textbook thoroughly. It is also due to the way exams are set, in that the questions are largely structured and require the recalling of facts" (Chu Hai). The problem has been the same in the United States in that the CPA exam should test candidates' ability to interpret, analyze, hypothesize, and apply concepts. This was not accomplished with the objective format of the exam (Burke and Maccarrone 2000). "Students pay a lot of attention to exams and therefore, when preparing for exams, they drill on the technical aspects continuously, bearing in mind that most exams are still technically-related at the expense of developing students' analytical ability" (OUHK). "It would be difficult for students to survive without passing the courses that are technical in nature" (PolyU). "Diligence is the key" (HKUST).

Still others felt that effective teaching of technical courses contributed to students' doing well in this area. "Sixty percent of the undergraduate courses are taught by instructors with CPA certification and solid professional experience, many of which have been in senior management positions in industry. These instructors have no research responsibilities and teach 12 hours a week instead of the 6 taught by tenure-track faculty members" (CityU). "Effective teaching by lecturers and learning by students would be the key to acquiring the technical skills associated with any accounting course.

In addition, the effective curriculum design of intended learning outcomes and teaching and learning activities are also important elements" (LN). This was echoed by HKU.

However, one university did not feel that universities had helped. "This has nothing to do with what had been done by universities. Students' ability to learn things quickly as previously discussed helped in acquiring the technical knowledge of all accounting related courses" (CUHK). This is probably attributed to the fact that CUHK started the first accounting degree program in Hong Kong and has been able to recruit the most highly motivated students.

The researcher concurs that all of the aforementioned factors would have contributed to the students doing well on the technical aspects, but is concerned with the described teaching and learning orientation, as the big four firms recruiting the majority of accounting graduates, do not emphasize technical skills. Furthermore, it does not support the AECC spirit as previously discussed, in that too much emphasis has been placed on the technical aspects of accounting and not enough on general education and soft skills. Breadth, rather than in-depth study, is the norm in both the United States (Albrecht and Sack 2000) and in Australia / New Zealand (Carr and Mathews 2004) while even in China, overall ability rather than technical ability is emphasized (Xiao and Dyson 1999).

Discussion and Conclusion

In the identification of weaknesses and strengths of accounting graduates by the big-4s, only two of the nine areas where improvements are needed are technically-related, while nearly half (four out of nine) of the nine areas where graduates have done well are technically-related. This shows that like in the US, there should also be an emphasis on the nurturing of generic skills.

Although the responses to accounting graduates' weaknesses and strengths vary, common approaches suggested to enhance the skill sets in several areas include the use of case studies, instructional materials and exam questions that are unstructured and ambiguous, projects or presentations requiring interactivity and encouraging students to participate more in student and external activities with the universities arranging more internships, study tours and exchange programs.

The use of the aforementioned factors also contributed to accounting graduates doing well in several areas. However, there are a number of areas where many universities do not feel that they have a role to play, either in a remedial capacity or claiming credit for areas where the accounting graduates have done well. This view is strongly supported by the four firms during follow-up interviews as generic skills are life time skills. For example, one firm has this to say. "Generic skills cannot be taught to the fullest extent at the universities as these are live skills that can be enhanced gradually throughout an individual's life, depending on his or her exposure. The employers would have to share the responsibility of nurturing some of these skills as graduates move up the ladder. In addition, there are social factors such as peer group exposure and parental upbringing that could shape these graduates' generic skills outside the universities and employment offices. Socialization skills in getting along with peers and family members could be nurtured at the university level, but not the business relationship side (*guang-xi*) that could only be learned by observing and actually doing". These views were also addressed by academics a decade ago. Citing St. Pierre (1996) who questioned whether the university was the place to address the perceived deficiencies, or if the deficiencies could even be addressed, Doost (1999) believed that students were used as scapegoats to cover shortcomings of the profession in the United States.

The researcher feels that this question deals with the bridging of a gap between academic study in accounting and a career in professional practice (institutions responding to the firms' identified areas of strengths and weaknesses of graduates) and the gap being the lack of communication and professional skills in general of graduates. The integration of skill development with the discipline content should not be an add-on, but the embedding of generic skills in the program content (Cable et al 2007 citing Bath et al 2004 and de la Harpe et al 2000).

Future Research

As pointed out in the section on "Purpose of This Study" that accounting academics' responses to these identified weaknesses and strengths of accounting graduates can be used as a reference in countries or jurisdictions where the educational and business environments are similar to those in Hong Kong.

In jurisdictions where the statutory bodies regulating the accounting profession have different sets of priority or emphasis on the generic and technical competencies requirement than the HKICPA, this exercise needs to be repeated with a modified questionnaire for the major accounting employers. For example, in English-speaking countries, adequate level of English competency in both written and spoken communication would not be an item for assessment in the questionnaire.

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Survey Questionnaire

Consolidated for the Four Firms

Appendix

Please tick in the boxes beside each question in accordance with the following ratings:

(1) strongly disagree (2) disagree (3) neither disagree nor agree (4) agree (5) strongly agree

The following questions 1 to 27 relate to the HKICPA's generic competencies framework. To what extent do you agree or disagree that Hong Kong accounting graduates adequately possess the following 4 categories of generic skills? Please rate each item individually.						
Cognitive or Intellectual Skills		1	2	3	4	5
1.	creative thinking and ability to deal with unstructured and unfamiliar problems and situations.		1	2	1	
2.	logical reasoning – inductive and deductive.			3	1	
3.	critical analysis.		1	3		
4.	Conceptualization of issues.		1	2	1	
5.	identification and structuring of key problems and issues.		1	2	1	
6.	Ability to research and to access and analyze relevant information.			2	2	
7.	evaluation of evidence in context		1	1	2	
8.	recognition and use of value judgments and ethical standards.		1	1	2	
9.	use of modeling and quantitative analysis techniques.			2	2	
10.	Ability to integrate knowledge from different areas		2	2		
11.	recognition of historical, social and political perspectives and constraints.		1	3		
12.	Ability to forecast, initiate and manage the process of change.		2	2		
Behavioural Skills						
13.	personal integrity and ethical conduct.			1	3	
14.	motivation and persistence.			3	1	
15.	independence of mind and capacity for inquiry.		1	2	1	
16.	commitment to life-long learning.			3	1	
17.	sensitivity and professional approach to personal and social responsibilities.			2	2	

18.	organization of time and priorities.				4			
19.	reasonableness and adaptability.				3	1		
20.	capacity for leadership and team-work.				2	2		
21.	capacity for and understanding of negotiation processes.			1	3			
Language Skills								
22.	adequate level of English competency in both written and spoken communication			1	2	1		
23.	use of Chinese language to a level required to cope with the local working environment.			1	1	2		
Communication Skills								
24.	ability to communicate clearly and effectively, using diverse written, verbal and visual methods as appropriate.			2	2			
25.	read, critique and judge the value and contribution of written work.			1	2	1		
26.	Ability to listen effectively.			1	1	2		
27.	effective interaction with culturally and intellectually diverse people or groups in a global environment.			2		2		
The following questions 28 to 46 relate to the HKICPA's technical competencies framework. To what extent do you agree that Hong Kong accounting graduates are proficient, knowledgeable and understand these areas or fields? Please rate each item individually.								
28.	business and organizational understandings.			1	2	1		
29.	business environment in the PRC.			2	2			
30.	information management and understandings.				2	2		
31.	General knowledge and understandings.				3	1		
32.	Generic accounting skills				1	3		
33.	auditing.				1	3		
34.	ethics.				1	3		
35.	external reporting.				4			
36.	financial management.				3	1		
37.	management accounting.				3	1		
38.	taxation and tax planning.				3	1		

A follow-up interview in person or by phone would usually be necessary for clarification.