

Professional Socialization of Accounting Students: Suggested Activities to Enhance Students' Experience at the Anticipatory Stage

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Professional socialization among accountants has been linked with increased job satisfaction, decreased "entry shock," decreased job turnover, and increased ethical awareness and behavior. Anticipatory socialization, the initial stage of professional socialization, refers to the time in which accounting students can "try on" or "rehearse" for the career roles that they will eventually undertake. Accounting faculty can encourage, and/or assign, activities that prepare students to encounter various aspects of their future roles. This article reports on the activities being undertaken by a small Midwestern liberal arts university and suggests efforts to measure the effectiveness of those activities.

INTRODUCTION

In 1984, the American Accounting Association appointed a committee, chaired by Norton Bedford of the University of Illinois (the Bedford Committee), to wrestle with the question of what the future of accounting education should look like. The committee's work produced a report in 1986 titled *Future Accounting Education: Preparing for the Expanding Profession*. The title tells us a great deal about their conclusions—that accounting was expanding into many more functions than just auditing financial statements, that accounting education at that time was inadequate to meet those expanded roles, and that accounting education must undergo a complete overhaul to meet the needs of future accountants (American Accounting Association, 1986).

In the recommendation portion of their report, the committee noted that essential components of general professional accounting education for the future included: design and use of information systems, communication, decision problems in organizations, financial information and reporting, and knowledge of the accounting profession, *which includes ethical and professional responsibilities of an accountant* (emphasis added). This focus on ethics and accountants' professional responsibilities points to the need for students "to develop a stronger professional identity, a greater appreciation of their legal and ethical duties, and a deeper understanding of their professions demands and risks" (Mayer-Sommer and Loeb, 1981).

In sociology, the term "socialization" refers to the internalization of the norms and behaviors of society. Professional socialization, then, is the internalization of the norms and behaviors of a profession. Professional socialization is "a process that will [have an] impact on students' professional development as they evolve from novices to committed professionals in the field" (Cornelissen and van Wyk, 2007). According to Ards *et al.* (2001) (as quoted in Ahmad, Anantharaman and Ismail (2012) p. 189), this process includes several phases: the anticipatory phase, which occurs mostly in college, the encounter

phase, which occurs during initial contacts between a brand new professional and the hiring organization, and the acquisition phase—a long-term adjustment to the norms of the profession, in which the norms become internalized and the individual grows into a full-fledged professional.

Sociologist Robert K. Merton first coined the term “anticipatory socialization,” and defined it as the process of adopting attitudes and beliefs of a reference group before obtaining membership (Merton & Kitt, 1950). In a 1949 study of the US military, Merton found that privates who modelled their attitudes and behaviors on those of officers were more likely to be promoted than those who did not (Lane, 2008).

Merton went on to write extensively about anticipatory socialization as it applies to medical education, in which he noted that “it is useful to think of the processes of role acquisition in two broad classes: direct learning through didactic teaching of one kind or another, and indirect learning, in which attitudes, values and behavior patterns are acquired as byproducts of contact with instructors and peers, with patients, and with members of the health team” (Merton, Reader & Kendall, p. 41, 1957). For instance, attending physicians model those behavior patterns by addressing a medical student as “Doctor” before the individual actually obtains the medical degree.

Professional socialization of accountants has its genesis in the anticipatory stage, around the time that a student chooses to be an accounting major. Entering freshmen who already know they want an Accounting degree hear from the first day in financial principles class that the external user, the investor or the creditor, is the party to whom the preparer owes useful information, with its two fundamental qualities: relevance and faithful representation. Students learn more about financial reporting and the needs of external users in intermediate accounting. In auditing, they learn that although their firm is engaged to examine the client’s financial reporting and render an opinion as to its fair presentation, it is the investing public to whom a duty is owed. This is the very crux of professional ethics: that the auditor, when asked, “Who is your client?” responds, “the investing public.”

Whether it is called “professional identity,” “professional commitment,” or “professional socialization,” it is one concept that is being discussed: that the professional accountant has internalized the norms, values and behaviors of the accounting profession, and that he or she has “bought in” to the primary duty to serve the public good above his or her own.

REVIEW OF LITERATURE

Organizational Socialization and “Good Fit”

For the new employee, the holy grail of employment is a “good fit” with the new employer. A good fit between employer and employee can reduce the “entry shock” that comes with any new job. Organizations are filled with inherent conflicts and uncertainties which create anxiety and dread for the new employee. Left unresolved, these uncertainties will result in less job satisfaction, less commitment to the organization, less internal motivation to work, and less psychological success. Non-socialized newcomers also report greater post-job-acceptance-decision dissonance and higher intent to quit (Holton and Russell, 1997).

The socialization process has been found to increase new hires’ job satisfaction and organizational commitment (Klein, Fan & Preacher, 2006), reduce uncertainty, decrease turnover (Allen, 2006), and increase identification with the organization and work group, increase organizational fit and result in lower rates of turnover (Lombardi and Mather, 2016, citing Boehman (2007) and Myers & Oetzel (2003)).

Organizational socialization, as much as selection of the best candidate, is important in “determining the performance of newcomers and their attitudes towards their new job” (Thomas and Anderson, 2003). Employee orientation programs are designed, some more effectively than others, to introduce new hires to the norms, customs and culture of the organization, attempting to reduce the expectation gap that leads to disillusionment and dissatisfaction for both the employer and the employee. It is this expectation gap that results in uncertainties and “entry shock” (Paulson and Baker, 1999).

Professional Socialization and Ethical Awareness

Professional socialization differs somewhat from organizational socialization in that it is the norms and values of the profession, rather than those of a particular organization, that the newcomer embraces, and to which he or she commits. In the accounting profession, the norms and values are expressed in the *AICPA Code of Professional Conduct*.

Professional ethics can, and must, be taught. The Association to Advance Collegiate Schools of Business (AACSB) International has emphasized the importance of teaching ethics to business students (Mantzke *et al*, 2005). The Bedford Committee added, "Professional accounting education must not only emphasize the needed skills and knowledge, it must also instill the ethical standards and the commitment of a professional" (American Accounting Association, 1986). The teaching of ethics is professional socialization, and that which occurs at the college level is anticipatory socialization.

Elias (2006) found that anticipatory socialization was relevant in explaining value development and ethical orientation among accounting students, and that faculty are an important conduit for that development. Farag and Elias (2016) report that accounting education provides students with a greater understanding of the importance of financial statements to external users. Clikeman and Henning (2000) found that accounting students grew in their opposition to earnings management, i.e., the manipulation of financial data to meet profit targets, between their sophomore and senior years. Also, senior accounting students were more strongly opposed to earnings management than senior students in other business disciplines. Welton and Guffey (2009) found that ethics interventions increased the ethical reasoning ability of accounting students, and that this increase persisted beyond the classroom. Mayer-Sommer and Loeb (1981) wrote that "what students hear from professors should be consistent with the way they are treated by professors." In other words, accounting faculty must treat students as the professionals that we are asking them to become.

Astin's College Impact Model

Since 1958, Alexander Astin has published 22 books and over 300 monographs, book chapters, journal articles and reviews in the field of higher education, with a focus on student involvement being the key to student development (Astin, 1985). Much of his research in this area goes back to 1970 when Astin sought to improve upon research designs that were currently in vogue for explaining the impact on students of their college experience. He analyzed the existing three-component model of student development that had been employed in hundreds of studies to illustrate the problems with the designs (Astin, 1970). The three components were student input, student output and college environment. Student input refers to qualities that students bring to their college experience. College environment includes the curriculum, administrative policies and practices, facilities, peer associations and other characteristics of the college experience. Student output refers to expected outcomes of the college program, such as academic achievement, and personal values and behaviors. He concluded that longitudinal, multi-institutional models were needed, and even then, there could be ambiguous interpretations having to do with students' own perceptions of their environment. According to Astin, environmental measures would be better if they were based on directly observable events (1970).

By the 1980s, Astin was framing his college-impact model in a Theory of Student Involvement, in which he expressed five basic assumptions about involvement:

1. involvement refers to the investment of both physical and psychosocial energy;
2. involvement occurs along a continuum, and the amount of energy invested varies from student to student and from time to time;
3. involvement has both quantitative and qualitative features;
4. the amount of student learning is directly proportional to the quantity and quality of student involvement;
5. the effectiveness of any educational policy or practice is directly related to its capacity to increase student involvement (Astin, 1984).

Going back to the Input-Environment-Output Model, the factors of the college environment mentioned above include the faculty. The faculty help to carry out various *activities* of the student's

academic program. Many of these activities increase student involvement. In fact, according to Astin, student-faculty interaction is more strongly related to satisfaction with college than any other type of involvement, whether student or institutional (1984). The involved student is the student who pursues excellence (Astin, 1985), who “buys in” and commits to his or her chosen profession. Professional commitment, in turn, leads to increased ethical sensitivity.

ONE UNIVERSITY’S EXPERIENCE

A small private liberal arts university in the midwestern United States offers its accounting students the following activities to facilitate their professional socialization through involvement at the anticipatory phase:

1. Accounting students at the private university can experience a 10-week **internship** during the spring semester of their junior year—working in public accounting firms in audit or tax, as well as corporate or not-for-profit organizations during the “busy season.”

The participating student receives academic credit from the university as well as compensation from the accounting firm. For the academic credit, the student must submit journals and other assignments to the faculty course coordinator. The weekly journal submissions describe feelings and perceptions about working as a quasi-professional. Students also write two engagement reports in which they discuss the types of work they are doing and the types of clients they are serving. In the past, they wrote a short research paper on a topic of interest to them. In future semesters, this paper will require the students to relate their work as interns to accounting ethics. According to Elias (2006), increasing the number and duration of internships increases students’ anticipatory socialization. This university’s alumni are instrumental in providing some of these internship opportunities, and the Career Center and the Accounting Department coordinate the internship contracts and other details.

2. The **Volunteer Income Tax Assistance** program of the IRS allows students to become certified to assist lower income taxpayers in filing their tax returns, usually resulting in the taxpayer’s receipt of refundable earned income and child tax credits. This has the result of putting hundreds or even thousands of dollars in the pockets of those low wage earners, exactly as those credits were designed to do. It also provides students with a taste of the ethical complexities of tax preparation. What does the preparer do when he/she learns about unreported income of a taxpayer? What constitutes > 50% support of a dependent? Is it necessary to see all of the documentation for the Earned Income Tax Credit preparer checklist? Volunteering also provides an opportunity for students to “give back” to the community. The faculty invite students from both their private university as well as the local public university to participate, and the faculty provide review of tax returns and site supervision for this program.
3. According to Strayhorn (2008), activities that bring students together for meaningful purposes are associated with achieving the intended outcomes of college attendance, as well as personal and social outcomes. Students benefit immensely from membership in the **Student Accounting Society**. In this organization, they have opportunities to network with professional accountants, take trips to see how organizations’ accounting departments function (the Chicago White Sox organization was visited last year), enjoy free membership in the Illinois CPA Society and AICPA, and participate in etiquette dinners and mock interviews, which help prepare them for the selection and hiring process.
4. **In-class activities** can also be useful for reinforcing socialization. One author referred to “professional moments” in a classroom when faculty members can update students on professional developments (Elias, 2007). Or, professional moments might involve role-playing. As a small example, when students prepare “case-study” tax returns in class assignments, this author encourages the students to sign their names, along with the CPA designation, in the paid-preparer’s box. For many students, this has the effect of prodding their imaginations, allowing them to “try-on” what it feels like to be a professional.

Role-playing is a powerful tool in the bucket of activities that prepare students to be professionals. Finally, the author uses the classroom to relate examples from her own tax practice of technical and ethical dilemmas she has encountered over the years.

WHAT IS NEXT?

The faculty and students of this university believe that these four activities are important to the anticipatory phase of the students' professional socialization, but that belief is based on anecdotal evidence, such as job placement rates, starting salaries and proportion of job offers at completion of internship. However, even assuming that the activities are important, we cannot say which activities are more important than others.

The author is in the process of developing a survey tool for obtaining information about students' professional socialization at the anticipatory stage, the encounter stage and the early days of the acquisition phase. Operationally speaking, this survey would be completed before the internship (survey given during the fall semester of junior year), after the internship but before graduation (either semester of senior year), and after graduation (during the first six to twelve months of employment). Responses to this survey could indicate which college experiences had the most impact on the ethical development of these individuals.

If this university is providing meaningful activities for the professional socialization of accounting students at the anticipatory phase, the internalization of the accounting profession's norms, values, and behaviors should increase over the time between early upperclassman status and early professional status.

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