Australian Accounting Education and Research: Challenges and Possibilities

Draft 15

James Guthrie  
Department of Accounting and Corporate Governance  
Macquarie University (corresponding author)

Elaine Evans  
Department of Accounting and Corporate Governance  
Macquarie University

and

Roger Burritt  
Centre of Accounting, Governance and Sustainability  
University of South Australia

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Abstract

This paper examines present challenges and future possibilities for accounting education and accounting academics from an Australian perspective. The aim of the paper is to address the serious concerns in the Australian context about the sustainability of quality accounting education and research in academia. The paper uses a storytelling technique, in which the experiences of our main character, Associate Professor Mary, a hypothetical Australian accounting academic are used to explore the transformation of the Australian higher education sector in the period 2003-2013, focusing on three themes. First, the financial position faced by university accounting schools in times of commercially focused management and globalization. Second, the extent to which the university accounting community is in control of its own destiny. Third, what the profession and practice can do to support its academic accounting members. Mary’s story is the combination of our own experience, research and messages from an Academic Leadership series which we co-authored and was published by the Institute of Chartered Accountants Australia (ICAA) and the Centre for Accounting, Governance and Sustainability (CAGS) at the University of South Australia.

Apart from understanding the impact of institutional change on accounting academic identity, the paper’s main contribution is that it presents the research findings in a story that allows its interpretation to connect reader and subject on a personal level. Also the paper establishes several contemporary problems and challenges that hopefully will set the scene for determining future directions and prospects. The paper concludes on an optimistic note for the future.

Key words: accounting education; accounting academics; accounting research; Australian higher education system; globalization of higher education
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1. Introduction

University education has become big business over the past decade with nearly double the number of students involved in higher education globally. During that period there has been a significant increase in the movement of students across national boundaries. Both trends appear to be growing, with China alone contributing to significant growth in international and local student numbers globally.

According to the UNESCO Institute for Statistics, there were at least 3.6 million international students enrolled in overseas tertiary education in 2010, an increase of 78% from 2 million in 2000.¹ East Asia and the Pacific accounted for 28% of international students globally, the largest share. China, India and South Korea represented the largest sources of international students. China alone accounted for 17% of international students globally, with the US, Australia and Japan the main destinations for Chinese students. North America and Western Europe accounted for 15% of international students. The top destinations for international students globally were the US (19%), UK (11%), Australia (8%), France (7%), Germany (6%) and Japan (4%).

Further, the 2009 UNESCO World Conference on Higher Education report estimated that there were 150.6 million tertiary education students globally, an increase of 53% since 2000.² It also predicted the number of international students will rise from 2.5 million in 2008 to 7 million by 2020.³

In Australia, as in many countries, the majority of higher education is funded by government. For at least 30 years, governments around the world have adopted a managerialist approach to public sector spending, based on commercialization, privatization and corporatization, regardless of their government’s political persuasion. This has led to the outsourcing of public services previously delivered directly by government, particularly in education, health and welfare (Broadbent and Guthrie, 2008). The Australian higher education system has not been exempted from these pressures over the past three decades, with fees introduced for domestic students and increasing pressure to enrol international full-fee paying students.

The Australian government has set ambitious degree qualification targets to be achieved by 2025, presenting several important challenges for the Australian higher education sector; and more specifically for accounting education. One of these is a low level of Federal government funding, per student place, for accounting and business students (Evans et al, 2010) who already pay 87% of the cost of their educational place. In the past decade, this has placed pressure on universities to maximize international full-fee-paying business students at both undergraduate and postgraduate levels. The pressure to increase student numbers in business education is realised in large classes in university business faculties, with high student to staff ratios resulting in undesirable, sub-optimal teaching and learning outcomes and significant pressure on accounting academics. Further, a gap will be created by the loss of knowledge as an ageing academic population retires. This exacerbates an existing labour shortage, in which it has been difficult for universities to fill academic vacancies in accounting creating a perceived need to resort to high levels of casualization and teaching only contracts.4

All of the above issues create a unique set of challenges for both contemporary accounting academia and the processes of accounting education in Australia, which this article aims to explore. But while these challenges are undeniable, they may also provide potential opportunities.

The overarching theme of this article is the quality of the academic experience for those working as accounting scholars. In part, this paper tells the story of Associate Professor Mary, a hypothetical Australian accounting academic whose story is created based on a combination of the authors’ own experience, research and academic thought leadership activities.5 Her story takes place in the period 2003 to 2013 when there were major changes in the Australian higher education sector. By creating an imagined academic, an academic ‘everywoman’ as it were, it makes possible the interpretation of the range of personal experiences and feelings of a typical Australian accounting academic. Three contributing themes are explored in the article, based on the ideas explored in an Academic Leadership

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5 In February 2010, the Institute of Chartered Accountants in Australia (ICAA) and the Centre for Accounting, Governance and Sustainability (CAGS) at the University of South Australia held the first of its series of academic thought leadership forums. Further forums were held in February 2011 and 2012 and planned for 2013.
Series, held annually, in which academics engage with the accounting profession and with practice to discuss contemporary issues important to the academy and to practice. First, the financial position faced by university accounting schools in times of commercially focused management and globalization. Second, the extent to which the university accounting community is in control of its own destiny. Third, what the profession and practice can do to support its academic accounting members.

Apart from understanding the reasons for, and the impact of, institutional change on Australian accounting academic identity, the article’s contribution is in its innovative use of storytelling to allow interpretation of the research findings in a way that connects the reader and subject on a personal level. Through reference to papers presented in an Academic Leadership series, it provides insight into the reasons why Mary’s ‘life world’ changed significantly. Over the past decade, Mary has witnessed considerable institutional change and experienced first-hand the consequences of these changes. Through Mary’s story, we examine the how and why of these changes and their impact on her academic identity.

The paper follows in Section 2 with a brief background discussion on the institutional changes in the Australian higher education sector. Section 3 provides a literature review of relevant material concerning accounting academia. Section 4 provides an introduction to the research method and undertakes to explain the evidence used for Mary’s story. Section 5 explores three main challenges associated with the sustainability of the accounting academic and helps with the interpretation of the following section. Section 6 narrates Mary’s story while Section 7 explores two possibilities. The final section provides a summary and conclusion to the paper.

2. Background to the Australian higher education system

There have been two major institutional changes in the Australian higher education system in the past decade: education has become an export commodity (ICAA, 2013); and there has been an increased demand for higher education from international full fee paying students, particularly from China. In addition there have been other institutional changes.

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Both Federal and state governments have articulated their support for education as a large export product. Higher education is a major export deliverer and an important driver of economic progress in Australia. Here are some very general statistics loosely aggregated from a range of sources: from 1983 to 1993 international students trebled; between 1996 and 1999 student numbers increased by 440 per cent; for the period 1999 to 2013 numbers trebled again. In 2013, there were 8,400 enrolments in New South Wales in Australian accounting courses from all providers, and of these 4,000 (47.6%) are Chinese international students (ICAA, 2013). In addition, in 2013, the Australian Labor Government is increasing local participation in the Australian higher education sector through various policies.

Australia’s experience is an illustration the marketization and globalization experience of the higher education system more widely (see Scott, 1998; Parker, 2012, 2013), in particular that of accounting education. The result, in the Australian higher education sector, is commercialized higher education with academics becoming commoditized inputs to the process (Guthrie et al., 1995; Parker, 2012). Accounting education continues to be a marketable product to international full-fee paying students and the sector is in the business of providing a mass delivered and homogeneous product. As organizations, universities are major drivers of national and local economies, and this is evident in the language spoken by vice chancellors and senior management groups. We see it in everyday conversations by representatives and administrators of governments, and we hear it discussed by commentators in the media.

For Australia, the value of education exports was AUD14.8b in 2011-12, making it one of the major industries in a country of only 22 million people.\(^7\) In 2011, there were 332,577 overseas students enrolled in Australian higher education out of total enrolments of 1,221,008 (27%).\(^8\) Management and commerce accounted for 170,447 (51%) of these overseas students.

In 2013, Australian business schools/faculties teach the majority of university students (about 40% of all local and international) and accounting units deliver the most students within


business schools/faculties (about 50%). For instance, Monash University in Victoria, with total enrolments nearing 50,000, has the largest business school in Australia with 17,500 effective full time students, which translates to about 25,000 students studying for a business degree in 2013 (Monash university, 2013).

In addition to these two major changes, there have been other institutional changes that impact on accounting education. Professional accounting practice in Australia has been affected by a range of factors including: the broadening of accounting work to encompass aspects of social reporting; corporate governance; sustainability and risk management; international accounting and auditing standards; emerging technologies and outsourcing, especially overseas, of routine, technical accounting tasks; the shortage of quality accounting graduates (as expressed by employers) and their lack of ‘work-readiness’; the Federal government’s contraction of funding in the higher education sector where traditionally accounting education has been situated; shifts in the Federal government’s skilled migration policy that once generated huge increases in overseas students seeking accounting qualifications in universities; and, the growing number of private education providers (Ernst and Young, 2012).

During this time, accounting academics have grappled with their own situation. Contemporary research (Cappelletto, 2010) has highlighted the sorry state of accounting departments in Australia. Departments can be characterized by very high student/staff ratios (up to 70/1); very large class sizes (1,900 in first year, 1,300 in second year); heavy teaching, preparation, marking and associated administrative loads; consequential limited time and poor support for research; and finally a casualized career structure.

Again, these circumstances and experiences may not be unique to Australia, but their convergence over the past ten years has led to debate between practice, the professional bodies and academia about how to create alliances that ensure sustainability of the accounting academy and the quality of accounting education.

3. A brief literature review

The following provides a brief review of the academic literature concerning the three themes that underlie the quality of Mary’s experience as an academic, the first of which is

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9 The research cited was jointly funded by the AFAANZ and Australian Joint Accounting Bodies and can be obtained from AFAANZ, www.afaanz.org/openconf/2012/modules/request.php
globalization and commercialization. The second is the development of technologies and business models that exclude the traditional model of a university as well as national forms of research quality assessment; both of which threaten the extent to which the university accounting department is in charge of its own destiny. The third theme is research that is uncoupled from the concerns of society, profession and practice, thus jeopardizing what the profession and practice can do to support its academic accounting members.

Globalization and commercialization. Globalization of the world of business has been accelerating since well before the turn of this century, with a similar growth trajectory in the globalization of the education sector, particularly the higher education sector (Scott, 1998; Lomas, 2002; Parker, 2012, 2013). Many universities have moved beyond their traditional national focus to become players in a globally competitive higher education market. They range from public sector funded universities, now increasingly generating their own market derived revenues, to private universities owned by corporations and run as for-profit entities (Evans et al., 2010; Ryan, 2010). These developments have taken place against the transformation of the public sector by New Public Management with its market focus (Broadbent and Guthrie, 2008; English et al., 2005; Marginson and Considine, 2000).

Control of destiny. The second theme is the extent to which the university accounting community is in control of its own destiny. Developing technologies and business models exclude the traditional model of a university (Parker and Guthrie 2013; Evans et al., forthcoming). Educators must concentrate on how to harness the advantages of technology in a business education environment (e.g. secondary, tertiary, and training), without damaging their very purpose as educators and researchers. In doing so, a number of critical questions are raised? What is the ‘core businesses of a university? How do accounting academics adapt to innovation? What do contemporary moves to provide free courses on-line mean for the future of higher education? Will universities be affected? Will it change the provision of professional training? Can universities compete in this new environment? In degrees orientated to particular professions, course content will tend to be similar between institutions — if core materials can be shared between institutions and technology enables lectures via video and other media, then what will be some of the challenges? The casualization of teaching? Outsourcing to private higher education providers? A narrowing of the university curriculum? Admonished on-campus experience? The disappearance of face to face teaching and student interaction on campus? The chaos of ‘open access knowledge’? The
homogenisation of knowledge, learning and culture internationally and in professional practice?

Further, national forms of research quality assessment (e.g., journal ratings) increasingly crowd out a more detailed engagement with ideas and arguments (e.g., Parker and Guthrie, 2013; Evans et al., 2011; Gendron, 2008; Hopwood, 2008; Parker and Guthrie, 2005; Khalifa and Quattrone, 2008; Diamond, 2005; Willmott, 2011). Accounting academics’ research agendas can be driven by what ranks rather than by the pursuit of relevance and engagement.

**Accounting as a professional social grouping.** The third theme is what the professional bodies and practice can do to support its academic members whose academic experience and research agendas may not address the concerns of the accounting profession, practitioners and future practitioners (students and new graduate intakes) (e.g., Laughlin, 2011; Evans et al., 2011; Guthrie and Parker, 2013; Hopwood, 2007). Accounting academics must grapple with their own demons when it comes to research: the lack of recognition of accounting as a worthy discipline within the academy; a perception that academic accounting research is only relevant to other accounting academics and does not address real-world issues; chronic under-funding for accounting research; the perceived under-appreciation of accounting research scholarship by senior management in academia; and the continuing threat to quality that the confluence of these realities creates. Also within accounting research there is a dominance of certain research approaches over others and unnecessary focus on justification of methods long accepted in social science (e.g. Panozzo, 1997; Williams et al., 2006; Carlin, 2011).

### 4. Research approach

Storytelling has long been recognized as a viable research and teaching tool. Stories in the form of fiction or nonfiction literature are useful, for instance, Jermier and Domalgalski (2000, p. 62) note that “Literature can convey insights … in a way that is … vivid and memorable, [and] expands understanding of deeper and subtler realms …”. Czarniawska-Joerges and Guillet de Monthoux (1994) advocate the use of fictional literature in management education, recognizing that it imparts a phenomenological type of knowledge providing a unique insight. Hansen and Kahnweiler (1993, p. 1393) argue that stories are “easy to follow, generally entertaining, and are more likely to be remembered”. Pfeffer and Sutton (2006, p. 67) assert “when used correctly, stories and cases are powerful tools for building management knowledge”. Kouzes and Posner (2002) found that stories fostered interest and engaged the attention of the listeners.
This article uses a story to explore its overarching theme, the quality of the academic experience for those working as accounting scholars. Our approach is to tell a fictional story, situated in the period 2003 to 2013, about Associate Professor Mary, a hypothetical Australian accounting academic.

This story is a combination of our own experiences, research and the academic thought leadership activities in which we have been involved. It focuses on Mary’s personal experiences and feelings in her job. We identify the source of her disillusionment, as non-fictional pressures on the higher education sector present challenges and opportunities to current accounting academics that identify with Mary’s story.

The relevance of some academic research, although acknowledged as important, is regularly criticised for its failure to impact on real life because it is inaccessible in terms of language, academic conventions and location in scholarly journals. The innovative technique of ‘storytelling’ is an attempt to overcome these criticisms, being both accessible and scholarly.

The data used in the story and discussion sections are from several sources. The first source is official enquiries into the state of accounting education (e.g. Matthews et al., 1990; Cappelletto, 2010) and the reflection from the three forums sponsored by the Centre for Accounting, Governance and Sustainability (CAGS) at the University of South Australia and the Institute of Chartered Accountants Australia (ICAA). These issues and strategies were disseminated through three volumes in their Academic Leadership series, the titles of which are: Accounting education at a crossroads in 2010 (Evans et al., 2010); Bridging the gap between academic accounting research and professional practice (Evans et al., 2011) and Emerging pathways for the next generation of accountants (Evans et al., 2012).

The second source for the story develops from our combined experiences as Australian accounting academics. These reflections are based on our personal observations over our many years (combined over 70 years) of experience as accounting academics and engagement with practice, as well as contributions from other accounting academics and practitioners.

Third, previous academic and other literature concerning the transformation in the higher education sector within Australia is an important source also utilised. We intend to reflect on issues that are both global and domestic in their genesis which have profoundly affected the course of accounting education in Australia.

5. Challenges for Australian Accounting academics
The institutional changes to the current environment within which Australian accounting academics operate was introduced in section 2. Within the context of these changes, this section explores three main challenges associated with the sustainability of the accounting academic and helps us to interpret the reasons why Mary’s life-world changed over the past 10 years. Here our three contributing themes are revisited: the financial position faced by university accounting schools in times of commercially focused management and globalization; the extent to which the university accounting community is in control of its own destiny; and what the professional bodies and practice can do to support its academic accounting members. These are presented in greater detail below.

5.1 Financial position faced by university accounting schools
Parker (2010) describes business schools (and accounting departments) in Australia as high-volume, low-cost, lean and mean casual higher education delivery models and muses about their survival. Ryan (2010) suggests that they may not survive if they simply aim to produce accounting technicians. She suggests that only private providers, who can manage high volumes of students on low cost delivery systems, will survive. These providers are teaching focused and do not include academics who are under enormous pressure to secure external funding for their research and to publish in top ranked journals. However, this education delivery model only meets the perceived need to fill labour market shortages and enable Federal Government migration policies. It does not educate the next generation of accountants. With university administrators relying on business schools for general revenue generation, accounting education has provided the road to the money tree. The problem now in 2013 is that the money tree has been contaminated by vagaries in the international student market with anecdotal evidence suggesting many potential students prefer to receive their education in other countries where the exchange rate is currently more favourable; where government policy in relation to migration is more stable; and where some universities have a higher reputation; or in their own countries as their domestic university capacities build. The role that overseas students once played in creating large Australian business schools has
changed and business students are looking to places other than Australia for more overseas provision of accounting education.

However, survival is possible. The newly formed (2012) government regulator, the Tertiary Education Quality and Standards Agency (TEQSA) regulates [accounting] education providers to ensure they meet minimum standards (Freeman, 2010). While we can argue about elements of regulation and indeed the lack of regulation, these processes have the potential to make visible the problems encountered by business schools, especially in relation to resourcing. The current perceived emphasis on the development of ‘non-technical skills’ in accounting courses, in particular communication and problem-solving skills (Hancock et al., 2010). And the power of accreditation provided by the Association to Advance Collegiate Schools of Business might be enough to persuade potential students, employers and university administrators of the ‘quality’ of individual accounting programs (Lightbody, 2010).

Freeman and Hancock (2012) discuss the changes in the regulatory environment in Australia from input-based accreditation to an outcomes-based agenda, driven by national regulators such as TEQSA and international regulators such as the International Accounting Education Standards Board (IAESB) and the AACSB. These changes present challenges for both the academy and the professional bodies. In the case of the former, there will be another layer of accountability with its concomitant insatiable need for more reporting; a burden to be borne by already overworked academics. In the case of the latter, Freeman and Hancock argue that the accreditation guidelines of the ICAA and CPA Australia (CPAA) must be revised to integrate and acknowledge the relevance of TEQSA, as well as the International Federation of Accountants (IFAC). This represents a shift in the professional bodies’ role as arbiters of quality in accounting programs and has the potential to destabilize professional accreditation as the primary mechanism to monitor the quality of accounting education. While many may see this as a plus, others may argue that independent regulation is a more stable platform for accounting education and a platform that can be used to argue for more government funding of under-resourced departments/schools.

5.2 Accounting scholars’ position within universities

As accounting academics fight for a place for their discipline in Australian universities, they confront a conundrum. Is preparation for the accounting profession about [academic] education or [vocational] training (Evans, 2010)? Or is it a mixture of both? If academics are
required to balance both ‘theoretical’ and ‘practical’ disciplinary knowledge within a curriculum framework, how do they accomplish this while under pressure from increasing class sizes, decreasing resources and rationalization of administrative support? The challenge for the academy is to persuade the professional bodies and practice that on-the-job training does not need to be a pre-eminent feature of accounting [academic] education (even though employers state that they want ‘work-ready’ graduates). In some areas, for instance, the innovative area of sustainability accounting, there is evidence that employers have just such an expectation (Tingey-Holyoak and Burritt, 2011). Similarly, the professional accounting bodies need to be convinced that preparation for professional qualifying examinations is not the full extent of the academy’s value proposition.

On an equally challenging note, Poullaos (2010) describes how the profession/academy relationship in Australia shifted in the last decade after both the ICAA and CPAA set up alternate pathways to their professional examinations. While these pathways fit well within the UK model of ‘non-relevant’ degrees, they have the potential to undermine the near-monopoly position that universities in Australia have as the providers of entry-level labour into the field of professional accounting.

The pressures on accounting academics (as described above) have the potential to deter potential recruits. Wright and Chalmers (2010) describe what awaits these new recruits: growth in international student numbers; pressure to ‘teach’ non-technical skills; employer expectations of ‘work-ready’ graduates; the expectation to ‘publish or perish’; and uncertainty about future funding. These working conditions are not a particularly attractive proposition. Moreover, the existing workforce is ageing and there are concerns about heavy teaching loads, casualization of the workforce, growing administrative loads as universities become more bureaucratized and the insistence on recruiting only PhD qualified staff. The latter is an impediment to employing capable practitioners who are able to ensure relevant curriculum development, but represents the typical pinnacle of academic achievement in other disciplines. Wright and Chalmers (2010) conclude that such challenges should be a shared experience with the professional accounting bodies, who can ‘offer political advocacy’ for the accounting academy. However, whether they want to operate in this space is another matter.

11 These alternate pathways were the focus of a third CAGS/ Institute forum held in Adelaide in February 2012, (Evans, Burritt and Guthrie, 2012).
5.3 Research and interaction with practice and the professional bodies.

If the accounting academy is to be sustainable, then its research output must be relevant for professional practice in the business community and the wider society. As Tilt (2010) argues, it is easy to see the relevance and impact of medical research, for example. However, in accounting the tangible benefits of research are less visible. More recently, evidence is emerging that accounting research is making a contribution to areas such as education (with an emphasis on the development of generic skills/graduate capabilities); environmental issues, such as carbon emissions, water equity and safety, and the impact of the emissions trading scheme; financial reporting; taxation policy (McKerchar, 2011), and audit practice. There is a strong move to ensure that research is an important component in both undergraduate and postgraduate [accounting] degrees. As future generations emerge from universities with the ability to read and understand research papers and to conduct research, the gap between the accounting academy and accounting practice may narrow. We believe that there is a vital role for the accounting academic to play; to critique, challenge and engage in debate to produce practically useful research.

6. Mary’s Story

The three challenges outlined in section 5 present a real world problem for accounting academics in Australia. The problem has been created by three forces: the financial pressures on faced by accounting/business schools; a loss of control of destiny; and the relevant research imperative. The impact of these changes is now represented in Mary’s story.

The central character of the story, Associate Professor Mary, represents the experience of the average accounting academic from 2003 to 2013. We have chosen for Mary to be a woman because women represent a majority of accounting academic staff in Australia. The story opens in 2003, with Associate Professor Mary living a busy, but contented life in a strong collegial accounting school whose success is a direct result of its change from a College of Advanced Education with a teaching focus to a university with a research and teaching emphasis. However, over the next decade, Mary becomes increasingly dissatisfied and detached from her institution, which has seriously affected her everyday life and identity. The story is set against institutional changes in the Australian higher education sector before 2003 and the wave of changes in the past decade including commodification, massification, marketization and globalization (Parker, 2011, 2012; Evans et al, 2010).
While marketization has allowed Mary to live a fulfilling academic life with substantial salary, market loading, conference funding, reimbursement of expenditures for engagement with professional bodies and performance bonuses, the next wave of change, globalization, signalled an end to her satisfaction and presented many challenges to her academic identity. The huge increase in international students in Masters’ programs after 2006 placed significant stresses and strains on Mary’s School of Accounting and the academics who work there. Ultimately the story and its interpretation poses the question as to whether her values have been colonised or have they evolved as the consequence of the changes in her academic work and institutional setting.

We first meet Dr Mary in 2003 in her office in a large metropolitan university. The school buildings are relatively new and her office reflects that of a typical academic with books, journals and papers everywhere. She is 50 years old and has worked in the School of Accounting for five years with an ongoing appointment as a senior lecturer. Before this, Mary worked for 15 years in other Schools of Accounting in the city as an academic. Like many of her contemporaries, before becoming an accounting academic she worked in private industry, undertaking her professional training and qualifying as a Chartered Accountant.

On the birth of her first child Mary undertook part-time casual teaching in a university and enjoyed the flexibility and freedom that offered her. Once she had the opportunity, she joined the university as a junior staff member on a three-year contract and enrolled in a PhD in the early 1990s and began teaching full time. This was a turning point for Mary as she enjoyed teaching and interacting with the students about her experience in industry and the profession. Although the move to academia involved a 50% reduction in salary, Mary considered the freedom of being in control of her own work and time, along with close intellectual stimulation with her supervisors and colleagues, to be sufficient compensationShe completed her PhD by the time she was 40.

In 2003, Mary is satisfied with the balance of teaching, research and family responsibilities. She enjoys working in the School of Accounting, with its 30 full time ongoing staff, 1,000 equivalent full time students and 20 casual tutors. Her colleagues, both old and new, are highly motivated and research and its associated conferences play an important part in extending collegiate contacts throughout the world. Research is viewed by the group as a way
to explore ideas and publish. Despite equally valuing research and teaching, Mary has a soft spot for teaching and spends considerable time preparing her materials and being a good teacher. Mary’s first loyalty is to the school and her colleagues. She is critical of university administration and several Deans have passed through the faculty since Mary arrived. In recent years each Dean seemed to ignore long term scholarly perspective in relation to accounting as a discipline as short term pressures for increased student enrolments dominated. Within the school there had been steady leadership with several senior academic staff taking it in turns to administer and mentor the group. However, in 2003 Mary observes an increase in managers and less administrative support for academics to help with their teaching and research. Centralisation of administrative processes meant that school administrative staff were the bridge to completing the university processes required for HR, accounting and finance, assessment, graduation and performance review. Mary leaves the school administration team to deal with these matters so she can get on with her teaching and research activities. At the end of 2003, Mary’s ideal life world can be summarised as follows: she is quite content with her work and life but it can be improved with less administrative interference and more time for research; however, she is aware of the growing instrumental perspective of senior management towards the discipline of accounting within the university.

Now after a decade of government policies aimed at deregulating higher education and globalization via importing international students, there is a different Mary in 2013. The major changes that she has experienced has been caused by revenue earned from fee paying international and postgraduate students’ being sequestered by university administrators. As a result, the School of Accounting has taken a significant number of these students vis-a-vis other faculty of business disciplines and other faculties in the university.

Now in 2013, the SOA has 70 full time accounting academics (40 ongoing and 30 on short term contracts) with a mixture of ongoing positions and contracts, 4,000 equivalent full time students (about 70% international) and 100 casual staff. Mary is now an Associate Professor and her office is much the same but her attitude is different. She is now 60 years old and concerned about how to spend her final years of work before her retirement. She has become disillusioned and discomforted with the directions and values of managers controlling the university and her school. Among the several reasons Mary gives for her current attitude are the following:
1. Teaching hours and class sizes have increased; especially managing junior contract academics and casuals that now look after all the tutoring.

2. Yearly performance management processes have placed pressure to publish more frequently, at higher levels and in a narrow cohort of journals, as well as apply for external research grants and take on supervisions of higher degree students, previously a rarity in the discipline, but a necessity for promotion.

3. Many of Mary’s colleagues have left and the faculty of business culture has changed from one of intellectual scholarship and stimulation to one of bureaucratic control.

4. Large undergraduate class sizes (500 in final year auditing) and massive postgraduate enrolments have meant the accounting discipline needs to service a very large and demanding student body.

5. Centralised administrative processes and individuals’ academic responsibility for HR, performance management, student processes, research funding, IT and other processes have become overwhelming. There is no choice but to take them seriously as this is what the university values. The School’s administrative and research assistant support has been removed in university wide cost cutting activities.

6. The university has assumed full control of entry requirements, which are regularly reduced as demand management is centralized and more international fee paying students are taken on to bolster the universities’ research spending in other faculties. Mary no longer enjoys teaching as she did before as now all lectures involve hundreds of students and she has no small tutorial activity where she can engage with students. She complains that the full time students have poor language skills, do not attend lectures, are spoon fed with notes and recorded lectures and as they pay significant money, they expect to be treated like customers while the university expects higher pass rates at the same time as quality is falling.

7. Mary is also disillusioned with the way the university treats accounting academics, in which there is no clear career path for the growing number of successful PhD students as there is a shortage of ongoing positions and very few post-doc opportunities. She feels that the academic career faced by early career researchers cannot be recommended.

8. Discussions by Mary and her colleagues in corridors and in offices behind closed doors are permeated by largely negative issues surrounding underperforming students and unfair workloads leading to a downward low-trust spiral towards management.
The School of Accounting culture has changed over the decade with significant increases in full time staff members, many of whom are emerging scholars still undertaking PhDs and learning to teach and research as well as being on probation or on fixed term employment contracts. Mary uses words like ‘instrumental’, ‘alienated’, ‘disengaged’ and considers it more effective to work at home rather than come to her office and be part of the school.

As 2013 commences, we wish Mary luck with whatever she decides to do. Early retirement is an option she is seriously considering, even in the face of government policies which try to encourage older employees to be retained. Returning to part-time work in practice seems a better option. We are puzzled as to what has happened to her. Obviously her world has changed over the past decade and this does not sit comfortably with her. However, is she grieving for a glorified past or is she passively accepting the transformations that have taken place? Has she changed her fundamental values or simply reorientated her behaviour to fit the changing environment in which she now finds herself? Are her current emotions regret about the changes to her School or a symptom of resistance or capitulation to the changes? Will she be forced to abandon her desire to make further contributions to society through her professional discipline?

7 Possibilities to safeguard sustainability

The problems represented in Mary’s story are not insurmountable and demand renewed leadership from within a strengthened academic community in which academics are not dependent on the vagaries of short term institutional thinking, but develop sustainable relationships. The circumstances are not all ‘doom and gloom’, but offer two possibilities for accounting academics to engage with practitioners, professional associations and policy makers in aligning research agendas whilst at the same time critiquing, debating and challenging the status quo.

7.1 Possibility – engaging with industry and the profession

The first possibility for the accounting academy is to find industry partners where there is some synergy between the academic’s research interests and the industry ‘problem’ to be addressed. Roos and Pike (2011) warn against motives such as the researcher’s desire to obtain research funding from industry rather than the desire for a good outcome for industry. They describe a ‘worst case scenario’ where academic researchers take industry captive in
order to secure long-term research funding for their own academic activities. Of course, the converse situation is a possibility, which would be disastrous for academic independence of thought. Cuganesan and Gainsford (2011) give us a good example of a collaborative research project, in a public sector organization, which combined management accounting and IT. The project examined the control of information processes in a public sector context. This project exemplifies a way forward for management accounting research to make a significant contribution to organizational performance through better planning and control systems. Tingey-Holyoak and Burritt (2012) emphasise the importance of research collaboration between academics and practitioners by recognising that to contribute to critical economic, social and environmental problems transdisciplinary teamwork and different perspectives, including those from accounting, are necessary. The opportunity is through research that encourages an understanding of accounting beyond a conventional functional perspective.

7.2 Possibility - aligning research agendas

In volume two of the Academic Leadership series we invited an academic and an accounting standard setter to contribute by writing about leveraging academic research to improve financial reporting.

The academic contribution (Carlin, 2011) called for better research questions to be formulated and lamented the lack of alignment between the dominant concerns of accounting practice and the research agendas in the realm of financial accounting and reporting. Carlin (2011, p. 99) suggested that financial accounting research is driven by researchers’ need to master large datasets and complex statistical and econometric techniques while the complexities of regulation, organizational forms and transactions of greater value remain roads less travelled by many researchers. He describes the void between the domain of practice and academic research as ‘a key structural impediment to the production of highly influential research’.

The standard setter called for research agendas in financial accounting to be driven by the needs of users in the non-academic community. Stevenson (2011, p. 103) posed some very challenging questions. ‘Are researchers really trying to meet users’ needs or are they intent on being published in the right journal?’ ‘Are they intent on findings or on exercising (or re-exercising) the latest methodology?’ ‘Is their choice of research topic objectively determined or captive to the particular paradigm published in top journals?’ Finally, ‘are the findings communicated in a manner that people can … see the mosaic or picture being pieced
together, or are they confined to staring for long periods at an unrecognizable and isolated pixel?’. Whilst these questions are predicated on the assumption that academic research needs to be attached to practice and to society that is not the whole story. While it is important to align agendas with accounting practice that is not necessarily the sole determinant for research. A key role for academics is to critique, debate and challenge the status quo in an independent manner and through logical thinking processes. These hallmarks of academic accounting research are at present under stress but essential if usefulness is to be broadened.

8 Summary and conclusion
This paper has outlined challenges for the sustainability of the Australian accounting academy in relation to accounting education and accounting research. It uses the story of a fictional Associate Professor who has lived through the good times and the bad times for accounting academics to explore this overarching theme and the three themes that contribute to the challenges in contemporary accounting education: the financial position of accounting schools which have become a ‘mere fund raiser’ for the rest of the university; the extent to which accounting academics are in charge of their own destiny; and support from the profession and practice.

In addition we present possibilities for action; but not ‘solutions’. In Accounting Education at a Crossroads in 2010, we came to the sobering conclusion that the sustainability of accounting academics and the accounting academy depends on their respective contribution to professional knowledge and practice through teaching and research being recognized and valued. Although that was written in 2010, little has changed and Australian accounting academics still believe that they have been relegated to earning the money that supports the other ‘real’ (or scholarly) research faculties, with their relatively few students and high research income, clear academic research path for early career researchers who follow a conventional postdoc, and a competitive research funded approach to academic careers.

In Bridging the Gap Between Academic Accounting Research and Professional Practice, we highlighted the valuable contribution of innovative sustainability accounting research in areas such as water accounting, and carbon accounting and reporting; collaborative research projects in the field of management accounting; and ‘useful’ independent research in the area of non-audit services.

A fundamental consideration for future control of our destiny is the need to restore the interrelated nature of the arms of the profession – practitioners, policy makers and academics
(Laughlin, 2011) — which the commercially focused, instrumental management of the accounting discipline in higher education has uncoupled and separated. The impact of this uncoupling has been that: research is perceived to be of low relevance to practitioners; teaching has produced large numbers of unemployable graduates because of lowering standards and poor English language skills; university policy makers have focused on the management of business and accounting courses as the providers of cross-subsidy for other academic disciplines less in demand; and the professional bodies are losing their relevance for accounting academics as new accrediting institutions emerge to mark the territory of high quality students and staff in academic accounting.

There are a number of ‘possibilities’ for the accounting academy in Australia, all of which rely on the symbiotic relations between the three elements of the profession to prepare accounting and business professionals for the future. This can be achieved by providing future generations of graduate entrants to the profession with the ‘education they deserve’ (Diamond, 2005, p. 361) underpinned by relevant research that explores questions that matter. At the same time, and heeding the observation of Rousseau (2012, p. 600), academic accountants need to be assured that the education provided is not usurped by the strong and powerful in the way that business education has been. Accounting educators need to remain with their core purpose, producing professional commercially and socially aware accountants, the core of professionalism being the production of essential accounting knowledge and high quality graduates, including the valuable contributions discussed in this essay, and the educating of people to apply it.
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