

# Chapter 10

## Business Demands of Accounting Students

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### **ABSTRACT**

*This chapter is an overview of the many gaps accounting students demonstrate as they enter the business world. The gaps to be explored can be separated into two overall categories: technology (these gaps will be referred to in this chapter in a summary fashion as they will be addressed in detail in another chapter) and soft skills, which comprise several gaps that are centered in many ways around communication and management skills. Business demands for accounting graduates go beyond technical skills as they are viewed as future business leaders.*

### **INTRODUCTION**

The issue that academia produces graduates that lag in the requirements that business needs to meet the demands of a competitive environment is not new. Three major developments have altered the business environment (as traditionally conveyed by accounting educators to students) and the nature of professional activities of accountants: technology, globalization, and investor power in the capital markets. (Albrecht W.S & Sack 2001) Business moves very quickly which is not only by design but what we as humans expect and demand. Fortunately, business demand for employees still operates under the precepts of free market economics where the

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## ***Business Demands of Accounting Students***

employee skills and attributes available in the marketplace germinate via the immutable laws of supply and demand. “Basic Excel knowledge is a must, and most students start their jobs with adequate skills. Recruiters are also looking for demonstrated abilities to quickly pick up other software programs.” (Ovaska-Few 2017)

Business seeks to obtain a competitive advantage and use that advantage to improve overall profitability. Academia does not necessarily follow the same rules, at least not at the same time related urgency and is more shaped by market forces over a much longer timespan. In the broadest sense Academia follows the same process since the better schools attract more talented students so the immutable forces of supply and demand that drives business also is apparent in the academic world. The main focus of this chapter will be to delve into the educational demands and skills that business require and expect from graduating students.

Our experience tells us that Academia does not react quickly to the changing needs of business. Some of this is philosophical as the purist in Academia will tell you they serve as centers of knowledge and thinking and therefore need to focus on a broad level of education supporting the overall growth of the individual. At least this is what the purveyors of a liberal arts education will tell you. We are not here to denigrate this concept but to instead to analyze Academia’s ability of keeping current with the growing demands of their greatest constituents, the business world. The academic world seems to operate under a different timeframe when it comes to educating our youth on the most current precepts of business and society. A lag is to be expected due to the time it can take to develop syllabi, textbooks, and other course material used in a university setting. However, an education topic lag of more than an academic year creates a void that becomes a challenge for businesses hiring college graduates. There is also the education issue that adds to the lag, as some professors are challenged to remain attuned to the ever-changing needs and tools of business. These factors lead to an interesting dichotomy, business changes fast and needs a steady stream of newly graduated employees to help them meet their demands while academia moves at a slower pace thereby not supplying students with the skills they need to be successful.

## **Business Training Programs**

Most companies understand that students coming into the workforce directly from a university will require additional training. This is totally understood when you are training new employees for the specific roles and procedures pertaining to the employing company. This is especially true for the mid-size to large public accounting firms that have tailored systems and processes specific to their firms. Public accounting firms are accountable to the overall public at large in their responsibility for auditing companies to help ensure integrity of their clients’ financial reporting.

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