



Notes and Discussion on 'Working together'

Alison Hennell, Henley Business School

- In 2011, they had 33 Accounting and Finance students.
- In 2012 = 103 Accounting and Finance students, 32 of the 103 are on the PwC strategic degree, the remainder are on other Accounting and Finance based degrees.
- HBS received over 300 applications for Accounting and Finance courses starting in 2012.

Rona O'Brian, Sheffield Hallam University

- They have 600 students on some sort of Accounting and Finance course.
- Fee changes have seen more opportunities to fund students joining professional memberships (e.g. ACCA/CIMA student membership initiatives).
- Fee changes also create a more level playing field, in terms of cost, between EU students and non EU students, eradicating the argument that overseas students are given places at the university purely to generate income.
- Sheffield Hallam makes use of professional tuition provider materials.
- Sheffield Hallam are working on a new degree programme similar to the UWE Professional Accounting degree which will allow students to get a degree, professional qualification and work experience all simultaneously.
- Sheffield Hallam has strong links with international universities and professional bodies.
- A placement year is something offered optionally but strongly recommended by staff. Students are not charged fees whilst out on placement year. For those not interested in the year placement, internships in university breaks have also worked well.

Ian SurrIDGE, University of the West of England

Value of placement year study

- Research showed a 5.5% increased academic mark of those who had been on a placement year.
- Confidence, motivation and skill levels all showed improvements.
- Placement year students ended up treating their final year at university as a 9-5 commitment.
- The study showed two types of changes in those who completed placement years: specific changes including mastery of work, interpersonal relationships, self-regulation; and general changes including self-confidence, resilience and compensation for weaker skills.

Wilma Teviotdale, University of Huddersfield

- Partner firms have been organised to create a close working relationship with the university. Firms are expected to partake in mock interviews, provide tips for applications, work with first year undergraduates (big 4 firms), offering placement opportunities and graduate jobs.
- Feedback from the firms is that the partnership was leading to staff development, increased student recruitment, networking opportunities, increased awareness of HEI as businesses.

Q&A

Q: Are there any losers in this process of working together; is there a danger of accounting departments becoming separate to all other academic departments in universities? By working so closely with professional bodies aren't accounting departments at risk of undermining their academic standing, and will this ultimately impact on students' choice of degree programmes?

A: Allowing students the choice of placement year courses and straight academic based courses is important – many students choose an accounting degree and don't go on to chartered accountancy. So it is important that students have the choice between the standard programmes with various optional modules, and the employer sponsored degree programmes for those who want to accelerate their professional qualification. None of the universities ran a one size fits all system.

Q: How are students prepared for work placements, and what is the impact of placements on international students specifically?

A: Based on feedback received from employers and professional bodies, students are lacking basic skills such as report writing, numeracy and general communication skills. For UK students there are two main factors to tackle in preparing them for work placements – their lack of confidence and lack of resilience (in terms of dealing with rejection). At Sheffield, they use one to one sessions with Hayley Taylor (who featured on Channel 4's 'Fairy Jobmother') to boost confidence. This lack of confidence increases with international students, for whom much of their lack of confidence stems from their lacking language skills and reluctance to communicate. The international students particularly value work placements and so need support in practising their English and building their confidence in this respect.

Q: In terms of national performance measures – is the value of work placements reflected in the student feedback forms?

A: It varies by university. There seemed to be some confusion with students when completing their NSS as to where the placement year sat; if it was something linked to the university experience or not. Some have experience of students viewing the work placement as completely separate from their degree programme and so do not consider its value when submitting their feedback. Others had seen placement students rate the degree programme more highly overall, and all universities agreed they felt it was something that students should attribute to the university experience.

Q: What is the most effective duration of placement? What works best e.g. three months, a year, day release?

A: The HEIs on the panel only offered placements of one year, so could not comment.

Q: Are there any ways HEIs could link with parents and exploit their workplaces for placement opportunities?

A: This is an interesting idea and could be taken forward – alumni are also a resource that could be better exploited when seeking appropriate work placements for students.

Q: More of an observation – it is important to include the work placements at an appropriate time in the degree programme, to ensure that students put the right level of importance into the placement and not be distracted with course work requirements.

Q: A question for Henley Business School regarding the strategic degree programme with PwC – has this created a ‘two-tier’ programme – those who are with PwC and those who aren’t?

A: No it hasn’t – the aim has been to create a community of all accountancy and finance students at Henley regardless of which degree they are on – and all are taught together in the first year. All programmes are promoted as equal but different, in that they present different opportunities.

Mark Protherough (ICAEW) added – the strategic degree programmes are currently a live experiment since the first ACAs are now coming through from the inception of the Newcastle Flying Start programme ten years ago. Early signs of the potential of these cohorts are very promising – PwC have been tracking the progress of these students and have found them to be higher than average performers, with better staff retention rates.

Notes and Discussion on 'Challenges and Opportunities'

Paul Jennings, Winchester Business School

'Students as consumers'

- Students at Winchester were asked at the start of the year what they expected from the university and the lecturers.
- Results showed that the expectations the students had were all things that were easy to provide e.g. lecturers on time for lectures, tables & chairs in rooms etc.
- The results also showed that students wanted to be pushed and challenged which obviously pleased the lecturers and they decided to act upon this before students slipped into bad habits later in the year.
- A campaign was launched at the university demonstrating the requests and how the university provided called 'you said, we did'.

Ellie Franklin, Middlesex University

'Preparing students for a demanding job market – where should the responsibility lie?'

Ellie argued that the responsibility was on the lecturers to help their students through the process.

Ellie felt that the graduate recruitment process was built up of:

1. Career motivation
2. Work experience
3. Competencies
4. Articulating all of the above

Ellie mentored her students through the following:

1. Processes
2. Rules
3. Practice
4. Coach

Discussion themes

1 - Students as Consumers

- Some delegates reported no real change in **student attitude** since the £9K fees were introduced; whereas others noticed students seemed **more engaged from the start**. Students are used to paying fees, and aren't really phased by the increase in fees. To some students the fee change is still something they don't realise or fully understand; parents, on the other hand, are more aware.
- The expectations and attitudes of students tend to change over the 3 years, and now there has been a **changed expectation** of lecturers. There's increasing danger of short-term gratification, which causes **pressure on academics to perform**. Most students forget 1st and 2nd year work and only put in effort in 3rd year; and if the work is not assessed then it doesn't matter to them. Potentially could introduce assessed strands throughout the years to increase student participation in work to compensate this.
- Some students do appear to have a **fear of results**. Gradual progression through difficult subjects eases students in, however everything requires some hard work on the student's part – **university is not an 'easy' route to a 2:1**.

- Open days are proving more popular as an **informed decision** needs to be made. A lot of parental influence and questioning at this stage. One member in the discussion has a 14 year old and was starting to wonder if it is worthwhile her son going to Uni. Not only is there a higher cost but **will it benefit them in the long run?** She will not discourage her son if he wants to go but she is now open to the idea of him not going
- Some believed that students are **better described as clients than consumers**; they were compared to audit clients as they pay for a service not a result. One delegate thinks of students as **product of the economy** and not a consumer. He spoke about the challenges of presentations and assessment centres upon undergraduates and how that was a sign of the economy. He said universities are seen as suppliers by firms and professional bodies and that presented both challenges and opportunities.
- There was also a view that students aren't consumers, but are **partners in the education process**. Some of the universities involve their students in the delivery of their education, e.g. staff/student committees, and in some instances students sitting on Faculty Board.

2 - Accreditation vs Academic and Relevant vs Non Relevant

Pro Accreditation/Relevant degrees

- Accreditation **adds value** to the degree.
- More **vocational** courses are being picked which works in favour of Accounting and Finance.
- Certain universities recognise that they simply would not get the students if it wasn't for the **number of exemptions that they offer**, as it is sometimes their primary reason for joining.
- Younger potential students (17-18 year olds) are very interested in exemptions and want to know what options to take to **maximise them**, with 7-9 exemptions being the preferred number that students would rather have.
- Universities can still be strict on what they do with each professional body as part of a degree programme.
- One delegate cited the CPA (American) system where students need to be graduates of relevant degrees. She wondered why students didn't need to do postgraduate conversions if they had not studied a relevant degree.

Anti Accreditation/Relevant degrees

- Many students will be choosing the course they think is the right one instead of the one they like, which might lead to them dropping out because they don't enjoy it.
- Fast track programmes run the risk of not allowing students any time outside of Accounting and Finance to engage in 'normal' student activities.
- Is a Masters in Accounting and Finance **now less attractive** in comparison to the ACA qualification?
- Accountancy A-Level has **no relevance to students doing well at University**. Lecturers from all universities commented that students coming on to the course with an A-level in Accountancy are **less likely** to do well. Experience shows that these students have actually failed because they are not putting in as much effort as they feel as though they have done all of it before. Some do not even bother coming to lectures and just show up to the exam. In general, these students are much **less engaged**.
- Some universities find that there is **some resistance to credits from employers**. The majority think that most firms are not bothered about the number of exemptions that students have acquired. In fact, some firms advise them not to have any at all as they would prefer to train students themselves. Quite a lot of employers are not concerned with getting students who have done a relevant degree and are very selective when it comes to allowing credits.

- Feeling from the table was that we risk selling students a 'dream', get as many credits as possible and it will benefit them. It may not in some cases.
- As students don't need a relevant degree **maybe there are more opportunities**. When the question was asked around the table none of the delegates had done an accountancy degree.
- Accreditation is focused in **understanding the technical detail**, and the more focus on technical detail means more pandering to achieve exemptions, and **less time to focus on employability or soft skills**.
- Students generally achieve the maximum number of exemptions in the middle of the third year. They then want to focus on achieving the ACA rather than completing other academic work relevant to the degree, but not helping them achieve the ACA. They get frustrated spending time on academic studies that seemingly aren't helping them achieve Chartered status.
- There was also a comment that there can be a **tension within universities** that are trying to develop modules to earn exemptions rather than focusing on the academic learning.

What needs to happen?

- Is there much scope left for going to university for the **love of learning**? Are Higher Apprenticeships taking over? Will there be much left for universities? Some delegates were worried that employers are now recognising that this is the case, and are starting to create Higher Apprenticeship/School Leaver programmes for students.
- There are two parts to studying accountancy at University. 1. **Preparing students to be good accountants** and 2. **Instilling them with academic and financial knowledge**. All agree that there is a great difference between academia and practical knowledge.
- Reassurance needed to those in academia that there is interest from employers outside of the strategic degree programmes - **employers will always want a mix of students from different degrees and backgrounds** (fair access to the profession).
- There needs to be a good mix of employer/professional body supported degrees and straight academic based degrees. **It is not a one size fits all model**.
- The discussion went on to say that universities are competing on exemptions, but the reality is that some employers don't recognise them. This leads to graduates without relevant degrees getting jobs with these employers. This highlights that **employability skills are really important**, and there needs to be more focus on this in university.
- It would seem that exemptions are not that important to employers – what is it that is special about the successful applicants? It seems work experience counts a lot in the recruitment and selection process.

3 - Myths around careers in chartered accountancy

- Academics still face the challenge of dispelling myths such as boring career; not a sexy job role; too number focused for non-numerate students and too easy for maths/economics students.
- There are still difficulties with finding information on **firms that offer training outside of audit and assurance**.
- One delegate observed that there were more 'old' universities attending the day rather than newer universities, which was interesting because it is commonly thought that the newer universities were the ones focusing on Employability/Adding value outside the course - interesting to see a potential shift.

4 - Employer interaction

- **UCAS** entry level limits access to the profession. Sometimes students struggle to get an interview with the Big 4 as they only focus on UCAS points regardless of overall degree classification or other factors. HEIs have no choice but to encourage students to apply for training agreements with smaller local employers since they can be more flexible on their recruitment policies.
- Employers do not have another means to assess students' capability other than academic history, which is why they focus on UCAS points which provide them with some **form of measurement**. The Big Four play the numbers game because they can – since they receive so many applications and need to have a quick way to filter applications.
- It is the employers' **corporate social responsibility** to consider applicants without UCAS points. The academics weren't saying these candidates should get jobs they should just be considered and given a chance, and employers don't tend to recognise or fully understand BTEC and access qualifications.

- On the flip side it was argued **why should employers change** their current systems and processes as it is clearly working for them? The onus is on the firm to recruit the best students so naturally they will look back to GCSEs, A levels etc.
- Firms are thinking – it's a **risk** and our **primary responsibility is to the client**. There is no financial benefit to finding students who are harder to look for and haven't come through the traditional route.

- The responsibility lies on the **government** and **schools**.
- It is not the ICAEW's responsibility to correct the schools' mistakes.
- Firms can't get to the one good student in a poor school.

- **Work placements** – getting them for students can be very difficult. Big Four tend to only recruit from the same universities year on year. Joining the 'club' is difficult.
- Also, for universities with a large cohort of students, finding placements for all or a high proportion of students is both time consuming and difficult.
- There is also the **added risk** that students going out to work placement (who may not be the best) may damage the university's brand. One student could sever the ties with an employer very easily. Students require **work place development** before they go out into the work place.
- At one university they have a placements department in the careers service. They bring in local employers to talk to students and link them up for internships and placements – employers find it easier to recruit and the HEI benefits from the engagement – not just for accountancy students but also for students on marketing and other degree programmes which benefit from work placements.
- Students should also be encouraged to **make their CV relevant and personal** to ensure it stands out.

- It's not the ICAEW who closes doors and makes access to the profession hard – it's the employer.
- It was agreed that it is important to set students' expectations and encourage them to look at other opportunities such as **smaller, local employers** and employers in **business**. It was suggested that ICAEW could assist HEIs in forming relationships with smaller local employers and encourage these opportunities.
- One university recognised the benefits of strategic partnership programmes being developed by ICAEW but also thought that none of the Big 4 firms would ever partner with them as they are not very high in the University rankings. Local firms might have interest in developing partnerships with them, something they need to look in to.
- Smaller firms tend to be more interested in applicants with skills than pure academics – even if students don't pass their exams first time a smaller employer will tend to be more flexible than a Big Four employer.

- It should also be recognised that students who are looking for a better work life balance and other factors from prospective employers – employers in business and smaller firms are more likely to meet these needs than big four firms.
- On the other hand, the Big Four can afford to get rid of students easily if they fail so small firms can become more demanding on their employees/students because they can't afford the risk.

5 - Networking

- **Networking** is now key for the academic's role – it's a skill which may be outside the comfort zone of an academic, but it's vital. Accountants aren't social engineers, but academics are almost sales people now.
- Students should be **encouraged to take the initiative** and contact employers about opportunities, and should think about different employers such as those in business. **Well informed students** who have undertaken some research are more attractive to employers since they show willing and an understanding of the business. It also shows they are keen and that they are not just applying because they did not get a Big Four interview.

6 - International

- **International recruitment** – some countries are making up significant numbers on courses, especially those coming over from China. It was thought that on some courses almost 80% of the students were from overseas; with some getting direct entrance students in the 2nd and 3rd years of courses.
- It's a shame as many come to the UK, to experience England, but often stay with other international students therefore never really embedding themselves into the English way of life; for example Chinese students do not appreciate the behaviour of UK students (drinking, partying, etc) so they keep themselves to themselves. This does not help with **language barriers** as they are not interacting with English speaking people as much as they could be.
- Additional issues are that there is high dependence on numbers from one country, what happens if they choose to go elsewhere; it will have a detrimental effect on revenue.
- Students also don't have the skills they say they have on their application forms, their English may not actually be very good.
- One university commented that out of 150 Chinese students studying an accounting course only 60 of them said they wanted to go onto complete a accountancy qualification, and none of them mentioned ACA. They only talked about ACCA and CIMA.
- In India, students found the first level of ACA exams very difficult to pass, and finding a graduate level position to train as an accountant was a huge challenge.
- An issue affecting ACA training in Pakistan is that although the graduate programme offered at the University attracts eight credits for prior learning, ICAEW only run Advanced Stage exams in Pakistan. Students who need to sit the remaining four Professional Stage papers must travel to Dubai to sit, since Dubai is their nearest exam centre. This makes the ACA qualification very expensive for students at university in Pakistan.

7 - Challenges university lecturers face

- **Accountancy and Finance courses seen as Cash Cow** – they bring in the students, but this doesn't always result in equal investment, so they often actually have a lack of resources, but they have more students with higher 'customer' expectations.

- It can also be **difficult to give students time** due to other responsibilities.
- Number of **academics retiring** and the number of **academics entering the profession** is a challenge. This could pose a big threat to students as they need academics to teach them. A challenge is attracting teaching staff who are trained accountants as universities are unable to offer the high salaries that accountants are paid. Universities could lose good staff due to this which may impact students.
- Some delegates agreed that whilst there are many academic staff in accountancy that have trained in practice and worked in the 'real world', **academic research was needed** (due to a large gap in research) and that could assist employers.
- On the other hand other delegates questioned the high requirements for new recruits to have PHD's and be academics, and **to what extent academia actually impacts on the accountancy profession?** A number of lecturers are questioning whether this is actually irrelevant - does the academic side of accountancy actually relate to the practical side of the profession?

8 – ICAEW feedback

- If ICAEW have large numbers of Partners in Learning with an increasing amount of universities, are they creating more students when employers aren't creating more jobs?
- One delegate believed that Higher Apprenticeship schemes could prove difficult, as the ACA exams are so hard that students who didn't go to University won't have a chance in passing the ACA because it is so tough.
- A problem on the international front is that the CPL fee charged by ICAEW is expensive for students. Perhaps ICAEW could develop local pricing models so that the ACA is accessible for students wherever they are training?

9 – Diversity

- Diversity with regards to students **isn't necessarily about gender**. It's about the route they come into the course. One delegate didn't echo the concerns expressed by ICAEW, as they don't see a challenge with gender diversity – they have a 50/50 male and female split on their courses.
- Some did however report a **decline in women on accountancy and finance courses**.
- One of the Irish universities claimed to have a student demographic of 95% local students and 65% female students.
- On the other hand a London university was **very diverse**, with 50:50 international students: home students. Another London based HEI reported 98% ethnic minority students, resulting in them launching a separate Equality and Diversity Unit.
- Students are still greatly influenced by parents.
- Moving into the employment market, lower numbers of female qualified accountants at senior levels were mostly due to career breaks. Moreover, if women had been accountants since graduation they were likely to be on a decent income, potentially with a partner who was also a well-paid professional and the women were not so financially pressured to return to work or the profession.

10 - Opportunities

- Accounting degrees are still very **popular**. Students see it as investing in a job for the future.
- **Quality** of students that seemed to be coming through the strategic partner programmes was attractive. It was felt that all that has happened due to fee paying students is that universities have had to up their game, become less complacent and be more competitive. 'There will be winners and losers in all of this.'
- **Helping to support the economy** due to students being ready for work earlier (as a result of placement years and employability skills etc).
- **Changes in the education sector** have made it more attractive to the younger audience, because it is more dynamic; things have to move at a quicker pace internally, thus creating a greater diversity of lecturers.
- **Sense of community** – all though times are more challenging, it was felt that there was now a real community among universities who wanted to share their experiences and help each other through the process.
- One university had two of their best graduates return to the university twice a week as mentors to third years. They run revision sessions and give advice about passing exams and exam technique. This has worked very well and the university reported attendance has been high at these sessions. It is now being used across other disciplines.
- Opportunity to recruit staff that are teaching staff and not just for research. It's much more than research, it's also about nurturing students.
- Opportunity for internal staff to work together – bringing together teaching staff and researchers.
- Trained ICAEW Chartered Accountants who go into teaching can give students' their workplace experience, which students will really value. This experience will also help when advising students and offering guidance/direction for placements.
- Although a negative perception of accounting still exists, there was a feeling that a decrease in the number of applications to accounting courses would not happen due to the career opportunities and salary the profession offers.

Questions on the ICAEW opening session

Q: Is the ACA qualification becoming more attractive to those in industry?

A: Yes; the flexibility appeals to employers in business and the content fits the needs of employers from all sectors.

Q: Is it not difficult to reconcile the needs of the Big 4 vs needs of the smaller employers?

A: Yes it is, but we have undergone a lengthy consultation process to ensure everyone's needs are met as far as possible. Ultimately, it is important to ensure that the ACA qualification produces well rounded professionals suitable for work in any sector, and this is something all employers agree on – they're not solely focussed on the short term.

Q: Previously it took three years to train as an ACA - now you are saying it takes three-five years?

A: Three years is still the norm for the vast majority of students on a traditional route. We actually allow for training agreements of up to six years for those in degree programmes which combine ACA training. Four to five year agreements are usually applicable to school leaver routes to the ACA.