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Keywords

Accounting; Universities; Faculty; AACSB; Diversity; Flexible work arrangements



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1. Introduction

Australian accounting schools¹ are widely perceived to be experiencing a staffing crisis, particularly in the technical areas of tax and audit (Tarrant 2006). A rapid growth in demand for accounting degrees, mainly from international students, has led to burgeoning class sizes in most universities. At the same time, a growing demand for practicing accountants, combined with rapidly escalating salaries, is argued to have led to a decrease in the number of potential candidates wishing to pursue an academic career (see, for example, Healy 2008; Njoku 2008; Subramaniam 2003).

In the past, an important source of 'entry level' faculty in Australia has been practitioners seeking a career change. The flexibility inherent in academic work, particularly given the generous human resource policies of most Australian universities in comparison to private organisations, has made university employment attractive to a subgroup of accounting professionals who are willing to sacrifice a higher salary in return for a more flexible work environment (Healy 2008).

While all university departments are experiencing the changing wind of managerialism in its various forms (see, for example, Davies & Thomas 2002; Neuman & Guthrie 2002; Roberts et al. 2004; Willmont 1995), many Australian accounting schools have recently faced new pressures from their Vice Chancellors or Deans to gain AACSB accreditation. The Association to Advance Collegiate Schools of Business (AACSB) is a US-based business school accrediting body. Accreditation has been for some time an important component of the processes of public legitimisation by universities in general and accounting schools in particular (Durand & McGuire 2005). While Australian schools have long been accredited by the Australian professional accounting bodies, they are now focusing on international sources of 'quality' accreditation. AACSB claims that it provides a point of "differentiation" that "can be an important factor in identifying high-quality business schools by prospective students, faculty and employers" (Trapnell 2007, p 67). While a small US-based literature indicates that AACSB accreditation has undoubtedly had significant implications for US faculty (see later discussion), there has been little deep examination of how such accreditation might impact on individual faculty. However, what is apparent in the few studies that do exist is that AACSB moves schools to a more homogenised faculty, particularly in terms of faculty qualifications and performance metrics.

As AACSB is relatively new in Australia, there is no research considering the implication of AACSB accreditation for Australian faculty. Given that Australian accounting schools have traditionally employed a large proportion of their entry-level faculty from practice, rather than directly out of PhD programs as occurs in the US, it is of particular interest how AACSB accreditation might impact on the employment of 'ex-practice' faculty. As Australian universities are renowned in the Australian labour market for their excellent flexible work and leave policies (see, for example, the frequent citation of universities in awards such as the Equal Opportunity for Women in Workplace Agency Awards), unlike universities in the US (see, for example, recommendations by Mason & Goulden (2002) for the types of initiatives common in Australia), it is also of interest to examine how AACSB accreditation might impact on the attractiveness of academic employment to those seeking a more 'flexible' work life. Given that Australian accounting schools are argued to be suffering from a significant shortage of accounting

¹ Universities use differing terminology to refer to their discipline groups, e.g. 'departments', 'schools', 'disciplines'. This paper will use the term 'school' to refer to a discipline group.

academics, it is important to understand the potential impact such accreditation may have on the ability of schools to recruit in the future.

This paper will utilise a case study of the process of applying for AACSB accreditation within a leading Australian university to examine the potential impact of AACSB on individual accounting faculty. In particular, the study will look at the impact of AACSB on the flexibility traditionally inherent in the career options for faculty in an Australian accounting school. In doing so, this case study will incorporate micro-studies of typical faculty who would have been most likely to choose to utilise the flexibility inherent in academia in the past.

2. Literature

There has been widespread discussion across the literature of almost every discipline of the trends over the last 20 year of commodification and managerialism in the UK, US and Australian university sectors and the impacts this has for academic staff (see, for example, Willmont 1995, Davies & Thomas 2002; Neuman & Guthrie 2002; Parker 2007; Roberts et al. 2004). The desire for increasing levels of quantifiable output from academics, coupled with increasing revenue generating activities, has resulted in accounting, like other disciplines, being pressured to produce more publications and gain more competitive grants (see, for example, early studies by Winefield and Jarrett (2001) and Winefield et al. (2003) and a summary of more recent studies by Watty et al. (2008)). What distinguishes accounting is that such demands for increased research output are being made of faculty who, at the same time, are teaching a rapidly increasing student load and managing ever more onerous administrative activities in schools which are already short-staffed (Subramaniam 2003).

Australian accounting schools have long been characterised by diversity in terms of qualifications and experience of faculty; with schools having a mix of academics, some of whom have come directly into academic careers from their graduate degrees and others who are also professionally-qualified and experienced practitioners. ‘Career-change’ practitioners have long formed an important source of Australian accounting faculty, with Subramaniam (2003) finding “nearly 90% of [accounting faculty] respondents having worked in either public or commercial accounting” (p 515). The importance of the contribution of professionally-qualified practitioners to the quality of accounting programs has long been advocated by accounting education researchers (see, for example, Mounce et al. 2004; Njoka et al. 2008). Likewise, students studying professional degrees like accounting often indicate a preference to be taught by academics who can incorporate their own experience of the reality of practice into their classroom (Mounce et al. 2004).

While the importance of workplace flexibility is often discussed in the literature in relation to women (see, for example, Mason and Goulden 2002; Trower and Chait 2002; White 2005), it has also been an important factor in attracting practitioners into academia. Subramaniam (2003) found that a significant reason for practitioners moving into an academic career was “wanting a more flexible work schedule” (p 516) (see also Churchman 2002; Watty et al. 2008). This flexibility provided an important competitive advantage of university life for the recruitment of accounting faculty, rather than the ‘up or out’ atmosphere characterizing many professional accounting work environments.

As few Australian universities have sought AACSB accreditation in the past, there is no literature regarding the impact of AACSB accreditation on faculty recruitment in Australia. However, the US literature clearly indicates that AACSB, among other university imperatives, will “help shape what types of faculty get hired and how they are rewarded” (Henninger 1998, p 407), with more critical researchers expressing concern that accreditation and other forms of assessment will “transform university cultures and

most important, intensify class, race, ethnicity, and gender discrimination” (Tinker & Fearfull 2007, p 126). While there is little empirical evidence presented in the accounting literature, the few US studies that do exist provide evidence that such impacts are not necessarily beneficial for students or existing faculty. In particular, it is evident that while AACSB might support schools having a proportion of ‘professionally-qualified’ faculty, the significant majority of staff must be PhD-qualified and actively publishing² (see AACSB 2009). In consequence, accredited schools show a clear preference for faculty to focus on research rather than professional activities. Roberts et al. (2004), for example, found that following accreditation, faculty were putting more effort into research and less into “teaching, working with students, university and public service, participating in discipline-specific organizations, upgrading knowledge, and upgrading credentials” (p 117). This change in emphasis is reported consistently across studies (see, for example, Henninger 1998; Poe & Viator 1990; Scherer et al. 2005), despite AACSB’s emphasis on ‘assurance of learning’ and other teaching-related standards (AACSB 2009) and on the role of professionally qualified faculty as “important contributors to the mission of AACSB schools” (AACSB 2008, p 5).

There is also evidence that AACSB accreditation will increase job stress for faculty (Roberts et al. 2004). More of Roberts et al.’s (2004) respondents thought their jobs were now less rewarding, they had poorer working relationships with colleagues and administrators, and the standard of classroom instruction had declined. Overall more faculty indicated they were less satisfied with their jobs after AACSB accreditation than claimed they were more satisfied. Lahey and Vihtelic (2000) found that this was particularly so for women, with women faculty members at AACSB accredited schools reporting lower job satisfaction than men. While claims are made that AACSB accredited schools pay higher salaries (e.g. White et al. forthcoming), Roberts et al. (2004) found that majority of staff reported that there had not been salary increases though accreditation. Most also reported that “tenure and promotion is more difficult now their school is AACSB accredited” (p 118).

While not addressed directly in the US AACSB studies, other research has shown that any increase in emphasis on research output generally results in increased total workloads for faculty (Harris et al. 1998). Such workload increases tend to be most challenging for, and thus detrimental to the career aspirations of, “those people who have dependent others and a life outside [academic] work” (Anderson-Gough & Brown, 2008, p 95) (see also Harris et al. 1998). Such “people” are often women with primary responsibility for their children, but may also include practitioners transitioning into academia. Such ex-practitioners may be trying to retain some engagement with commercial practice (as recommended by accrediting bodies such as AACSB and the professional accounting bodies and commentators such as Njoku et al. 2008).

The next section will examine the impact on the accounting faculty of one university of the process of applying for AACSB accreditation for its business school. By using micro-case studies of ‘typical’ individual academics working in the school during this period, it will show that AACSB accreditation has a significant impact on the workload and job stress of faculty moving into academia from practice in general, and faculty utilizing flexible work arrangements in particular. The case studies in turn indicate that AACSB schools may be a less attractive work environment for ex-practitioners as the changes required by accreditation raise the ‘cost’ of entering an academic career and reduce flexibility regarding career progression. The implications for faculty diversity will then be considered.

² The next section will explain AACSB’s faculty qualification requirements.

3. Methodology

This paper uses an exploratory case study (Yin 2009) to examine the experiences of a business school that was in the process of applying for AACSB accreditation. The case school was selected due to the ability of the author, as a member of staff, to gain “direct access to what people think, do and feel” (Jorgensen 1989, p 56) to develop a deep understanding of the impact of AACSB on individuals from within the case, rather than engaging only in a theoretical consideration “at a distance” (Llewellyn 1996, p 115). However the case school was also considered typical of the Australian business schools that are currently seeking AACSB accreditation. As every business school is different and as there is scope for schools to adopt slightly different measures of some AACSB standards, this paper attempts to provide “sufficient information about the context in which [the case] inquiry [was] carried out” (Lincoln & Guba 1985, p 124) to enable researchers to determine the relevance of the current case to their own university context.

Within the case study, this paper presents four embedded micro-narratives of typical faculty who embody the focus of this study – current and ex- practitioner faculty of the type who form a significant number of Australian accounting program faculty. The faculty are identified within a particular school (as the case site) to facilitate the provision of a deep or ‘thick’ context for interpretive analysis (Denzin 1989).

The primary sources of data were first, the author’s observations of formal meetings, discussions, and debates, as well as informal ‘corridor’ conversations, and second, the examination of the accreditation documents produced by the school. Such observations and interactions took place over a two year period. As a faculty member of the case school and as a member of the accreditation steering committee, the author was an active participant in many of the events being observed (Yin 2009). The dual roles facilitated by such participation – both as a facilitator of the interpretation and implementation of the AACSB standards within the case school *and* as a faculty member on whom the new standards were to have an impact – enabled the researcher to have a unique perspective of the accreditation process. As the author was a faculty member within the school, rather than a dean or administrator commenting on accreditation from outside the day-to-day experiences of faculty (as in previous research by Henninger (1998) and Poe and Viator (1990)), it was felt to enhance the trustworthiness of the resultant findings as it provided greater access and insights into the meanings which academics ‘at the coal-face’ may attach to the accreditation processes being observed (Jorgensen 1989; Yin 2009). In order to further validate the trustworthiness of the researcher’s conclusions, the preliminary findings were discussed with academics within of the case school and were also presented to a number of academics employed in universities which had, or which were in the process of seeking, AACSB accreditation (Lincoln & Guba 1985). The feedback from these knowledgeable individuals regarding the observed impacts of AACSB accreditation on individual faculty provided reflective validation of the findings that had been derived in this study.

Case study – AACSB and the Accounting Discipline of an Australian Business School

The case study focuses on the accounting discipline group within the broader business school of an urban G08 Australian university. The business school is the largest school in the university, with over 60 full-time-equivalent FTE tenured/tenure-track faculty and over 4000 students (20% of the total university enrolments). The business school delivers undergraduate and postgraduate programs over many business discipline areas, including marketing, management, accounting, and finance. The largest discipline area in terms of

student enrolments was accounting. The number of accounting students had more than tripled in the last 10 years, with the growth primarily comprising international students.

While it has traditionally employed a higher proportion of faculty directly out of PhD programs than many other universities, the majority of the case university's accounting faculty recruitments in the last 10 years have worked as accountants or in business prior to entering academia. At the time of this study, the accounting discipline had 13 tenured or tenure-track staff, all of whom were fulltime, plus two adjunct contract lecturers, a 'retired' professor, and a large number of casual tutors. It had a further 7 vacant tenure-track positions at all academic levels. The majority of the accounting faculty were employed in tutor or lecturer positions³. All faculty except two were aged over 40 and the majority of faculty were aged over 50.

Very few of the accounting faculty had a research degree when appointed to their first academic position. The majority commenced as tutors without a PhD and then undertook their research degree while working in academia. As staff had been able to choose whether they wanted to focus on research (compared with teaching and administration), a number of staff undertook relatively little, or even no, research. This choice was reflected in the relatively 'junior' accounting faculty profiles, where many older staff were very experienced teachers (and often held PhDs), but engaged in very little research and thus had not been promoted into associate professor or full professor ranks. Over the last 5 years, the school had gradually developed a greater research focus. However the majority of the 'research active' faculty were the younger staff (i.e. under 45 years old).

Like most Australian universities, the case university had excellent flexible work policies, enabling fractional appointments, job sharing, leave without pay, and 26 weeks paid maternity leave. However, at the time of this study, the only faculty formally using flexible work policies were two faculty on pre-retirement contracts that enabled employment at a fractional appointment for 2-3 years prior to retirement. However, a number of staff had, in the past, taken extended leave or worked in fractional appointments for personal reasons, family reasons, or to enable them to gain professional work experience in other organisations.

In 2006, the Dean, with the support of the Vice Chancellor, announced that the School would seek accreditation with AACSB. At this time, there were only 3 AACSB-accredited business schools in Australia, all of whom were significantly larger business schools than the case school. The Dean and Head of the business school both expressed the view that being AACSB accredited would provide an indicator to the international student market and the university community generally that the school provided 'quality' programs. This would, in turn, increase the school's ability to attract international students into its programs, to build relationships with leading international universities, and to attract new faculty to the school.

AACSB accreditation process ensures that applicants meet a number of AACSB-defined standards that are perceived to underpin or represent academic quality (AACSB 2009). A core criterion for accreditation is 'faculty sufficiency'. This is defined as follows:

"The school maintains a faculty sufficient to provide stability and ongoing quality improvement for the instructional programs offered...Students in all programs and locations have the opportunity to receive instruction from appropriately qualified faculty." (AACSB 2009, p 44)

³ This staffing profile was typical of many Australian universities (see, for example, Irvine et al. 2010).

In establishing faculty sufficiency, schools need to satisfy two metrics: the percentage of teaching delivered by ‘participating faculty’ and the percentage of ‘participating faculty’ who are ‘academically qualified’ and/or ‘professionally qualified’.

First, the school needed to show that at least 75% of the school’s ‘teaching’ was delivered by ‘participating faculty’, rather than ‘support faculty’. A participating faculty member is a staff member who “actively engages in the activities of the school in matters beyond direct teaching responsibilities” (AACSB 2009, p 47). In Australian schools, tenured/tenure-track faculty are usually ‘participating’ and the large cohorts of contract⁴ tutors and lecturers are ‘support faculty’. ‘Teaching’ can be measured in many different ways. The case school decided to measure it at the subject⁵ level – so only faculty who were coordinating subjects needed to be classified as ‘participating’ or ‘support’. However, this meant that to meet the metrics, the school now required as many subject coordinators as possible to be ‘participating’ members of faculty rather than ‘support’ staff.

Second, the school needed to establish that at least 90% of its ‘participating faculty’ were sufficiently qualified, according to AACSB’s standards, to deliver a quality education program. AACSB uses the terms ‘academically qualified’ (AQ) and ‘professionally qualified’ (PQ) to identify the conventional qualification paths into academia. While AACSB allows as little as 50% of faculty to be ‘academically qualified’, a greater percentage was required in schools offering a PhD program. Thus the case school decided it needed 60% of faculty to be AQ.

AACSB state that the specific requirements to be AQ or PQ are to be set by the individual school. Each definition must have two parts: the initial qualifications required, and the requirements for maintaining faculty competence. While AACSB insist that they allow schools to define such criteria ‘consistent with their mission’, the accreditation standards provide a somewhat contradictory view, outlining a limited body of qualifications that are permitted for AQ. To meet AACSB’s standards, the majority of faculty must have a “doctorate degree” either in the “area in which the individual teaches” or “in a business field” from “a degree program intended to produce scholars capable of creating original scholarly contributions through advances in research or theory” (AACSB 2009). Thus AQ faculty in accounting must almost always be PhD qualified⁶, regardless of the role of research in the school’s mission. The ‘maintenance’ criteria appeared to allow much more flexibility.

However, AACSB requires its accredited schools to exhibit ‘continuous improvement’ in all its standards, including what is required to be ‘qualified’. Thus the case school was aware that it would be expected to ‘increase the bar’ regarding its maintenance criteria in subsequent accreditation reviews. The school also wanted the maintenance criteria to be clear and to parallel performance measures already utilised within the school. They thus chose to specify a number of approved⁷ journal publications as the evidence of AQ ‘maintenance’. While this first-round definition of AQ did not require particular rankings of journals, it was anticipated that this would be a requirement of future definitions in order to show continuous improvement in research standards

⁴ ‘Contract’ staff are employed on short term employment agreements whereby they are contracted to teach particular classes for a single study period.

⁵ A ‘subject’ is defined as a specified individual unit/course in which students enrol within a degree program eg MAII Management Accounting or FAIII Auditing.

⁶ AACSB allow a small number of faculty to be ‘ABD’ (PhD completed ‘All But Dissertation’). Such faculty do not need to meet the maintenance criteria to be AQ. Note that AACSB did not allow the case university to treat faculty holding Masters by Research degrees (2 year thesis-only degrees) as having the equivalent of a US doctorate.

⁷ The ‘approved’ journals were those listed by the Australian government Department of Education Employment and Workplace Relations as being independently refereed/peer reviewed.

within the school. So, in summary, at the time of the study, AQ faculty in the case school had to have a PhD and have a set number of DEEWR-recognised journal publications over the preceding 5 years.

Like AQ, professionally qualified (PQ) faculty need to satisfy both an initial qualification and some maintenance activities. Defining PQ proved much more difficult for the school, as there were no existing criteria within the university that could be adopted. The school decided to set the qualification criteria as a specified number of years of professional experience combined with either a masters degree or professional qualification (eg CPA or ICAA membership for accountants). 'Maintenance' of PQ required faculty to be undertaking at least two out of a list of potential maintenance activities, some of which were more appropriate for faculty in practice and others for faculty who were full time academics.

It was apparent early in the accreditation process that many disciplines within the case business school, including accounting, did not satisfy the proportion of AQ/PQ faculty that the school required for accreditation. This was primarily due to the small number of AQ faculty, rather than the number of PQ faculty. Thus the focus of the school management quickly turned to increasing the proportion of faculty who would be considered AQ.

As the school needed to urgently work towards particular target percentages of AQ and PQ staff in its programs, it was natural that the focus of recruitment and retention would be influenced by these criteria. Thus by the end of 2007, the school Head announced a number of significant changes to the appointments, workload, and promotion criteria. All faculty appointed at lecturer level or above would now have to meet the criteria to be classified as AQ. He also indicated that a priority of the school would be to encourage and assist existing non-AQ qualified staff to attain AQ status. A number of faculty were given a less than full teaching load and given relief from administrative duties to enable them to progress their PhDs. Tenure-track tutors were required as a condition of employment to enrol in and be progressing in a PhD. As all lecturer appointments now required a PhD, it was apparent that the tutors would now need a completed PhD to gain promotion to lecturer. In order to reward AQ and PQ staff and to provide monetary incentives to staff to attain AQ, a loading was offered to qualified staff for 2008. However the long time frames associated with the achievement of higher degree and publication outcomes meant that few non-AQ faculty would realistically be expected to have attained AQ status by the time that the 'faculty sufficiency' data needed to be submitted to AACSB. It was also unlikely that older faculty who were close to retirement would undertake the necessary activities to become AQ.

As a further reinforcement of the AACSB requirements, the school introduced a new workload formula in 2009. Faculty who were considered 'research active' were given reduced teaching loads. The definition of 'research active' faculty included those that, among other requirements, were considered AQ. To be 'research active', faculty were also required to be actively applying for external research grants, publishing in higher ranked journals and supervising PhD or other research students.

While the case school was trying to build its research focus, it received a sharp reminder of the risks of directing attention away from its teaching practices, and on the importance of having staff with professional backgrounds. In early 2009, the business school in general, and the accounting discipline in particular, came to the attention of the Vice Chancellor following a lower than expected ranking in the annual Australian Graduate satisfaction survey administered to all graduates from all Australian degree programs. According to the survey results, one significant source of graduate dissatisfaction was being taught by large numbers of contract tutors who did not have any

practical knowledge of actual accounting work. The school was told that it had to ‘do something’ to improve these results.

4. Four accounting faculty⁸

The above section has introduced the case business school and outlined the pressures created by the desire to achieve AACSB accreditation and the school’s responses to those pressures. As noted, a number of these responses comprised changes to policies and practices that may be expected to impact on the ‘grass-roots’ faculty themselves.

The changes to recruitment and promotion practices noted above can be expected to impact particularly on staff in the earlier years of their academic careers. As previously noted, the primary source of new faculty has been those transitioning from practice/commerce. Such faculty generally do not have a PhD prior to appointment and are attracted to academia by factors that include the greater workplace flexibility offered to employees. In order to examine the impact that the changes being driven by AACSB accreditation are having on such faculty in the case university, this section will present four embedded micro-case studies of accounting staff. The studies will consider the experiences of (1) a new tutor coming into academia from practice, (2) the employment of a new lecturer, (3) an existing lecturer who had utilised flexible work practices, and (4) an adjunct lecturer⁹. The following discussion will then examine the impact of the AACSB view of the academic world, at least as interpreted by the case university, on the attractiveness of academia as a career for such individuals.

New Faculty – Transitioning from Practice to Academia

Natalie commenced as a tenure-track assistant lecturer (tutor) in 2008. She had previously worked as an administrator in the nonprofit sector for some years. As Natalie was a very capable tutor and administrator, she was asked to teach in very large first year and second year subjects. As the School was short staffed, she also conducted some lectures in these subjects and assisted with the administration of assignments and exams. The students appreciated that she was very knowledgeable and supportive and came to her for extra help. They told her many of the tenured faculty did not seem to have time for them and that many of the contract tutors did not really know the content of the subject, nor did they care to explain things the students did not understand. Natalie also suspected that the subject coordinator was giving her work that other tutors were not required to do, as she was so capable.

While tenure-track tutors like Natalie are not defined as ‘participating faculty’ as they are not coordinating subjects and thus do not need to be either AQ or PQ, the broader pressures within the School to increase the level of AQ faculty meant that a condition of Natalie’s appointment was that she complete her pre-PhD coursework and enrol in her PhD as soon as possible. She also knew she could not seek promotion to lecturer level until she had completed her PhD.

New Faculty – Experienced Lecturer v PhD Qualification

Surah applied for a Level B position in accounting in the business school. She had 20 years of teaching experience at another university and had held many administrative roles

⁸ Each faculty member is referred to using a pseudonym.

⁹ In the case university, ‘Adjunct’ is an honorary title conferred upon people from outside the university who make a particularly significant contribution to the achievement of the academic goals of the university – in this case, delivering accounting education to MBA students.

within her school. She had an above average number of publications for the level at which she was applying. While she did not have a PhD, she had a good research-based masters degree and was willing to enrol in a PhD on appointment.

Surah did not get the position. Instead it was awarded to an applicant with limited teaching experience and no practical accounting experience, but with a PhD and a 'good journal' publication. Undergraduate students responded to the appointee's heavy foreign accent with complaints that they could not understand her. This included students from her country of origin. She was thus allocated teaching in masters subjects with small enrolment numbers (unlike her colleagues who had to cover her undergraduate load as well as their own).

Existing Faculty – Taking Family Leave or Working Part-time

During the last 5 years, Megan, a PhD qualified tenured faculty member, had taken 12 months maternity leave (a standard arrangement under the University's maternity leave policy). She had also worked a further six months in a 0.6 fractional appointment while looking after her sick child.

When the school undertook its first evaluation of faculty qualifications for its AACSB pre-application documentation, the school proposed that the publications for AQ be measured over 5 years fulltime equivalent, to provide some flexibility for faculty who had taken extended periods of leave. Megan thus expected that her publications would be measured over the preceding 6 years (5 years, plus 1.2 extra years to compensate for her periods of leave). This would have given her significantly more than the required publication output as she had a number of publications prior to her leave. She was shocked to learn that she was not considered AQ by the AACSB Assessor, despite being one of the top publishers in her discipline group. On inquiring, she learnt that AACSB would not make allowance for faculty working less than fulltime – they must meet the same metrics as fulltime faculty. Because of the time taken to complete research projects and the delays between submission and publication, her research since she had returned from leave was not counted in the school's calculation of its AQ metrics as it had not resulted in publications within the 5 year measurement period.

If she was not classified as AQ, Megan would not be eligible for the 'encouragement' support that the school had decided to give to qualified staff. She would miss out on the salary loading given to AQ faculty and, under the school's new workload model, she would be classified as less 'research active' and given a much higher teaching load. This would decrease the time she has for research, having a further negative impact on her publication output and making it less likely that she will be AQ in the future.

Existing Faculty – Adjunct Lecturer

Andrew had held a contract as an adjunct lecturer in a part-time capacity for some years. He is a highly respected senior executive in a major Australian company. He taught accounting subjects in the MBA program, where he received high evaluations from his students. Andrew was considered PQ for AACSB purposes. However, the Head has recently told him that unless he completes a PhD and becomes AQ, he will no longer be appointed to teach his MBA classes.

5. Discussion

The primary impact of the decision by the business school to seek AACSB accreditation is the expectation that *all* ‘early career’ faculty would strive to meet the established qualification standards, regardless of whether they wanted promotion (or even appointment to a tenure-track position) or not. In particular, the existing shortage of AQ faculty meant that the focus of the Head was on increasing the number of faculty who were both PhD qualified and research active. This change in emphasis on the importance of the PhD was driven entirely by the desire for AACSB accreditation, as there were no other external or internal motivators supporting an increase in the level of acceptable faculty qualifications. While there were pressures from other sources to increase research output, the focus was on increasing publications and grant income within the school generally and did not seem to translate into a requirement for a significant majority of individual academics to meet such requirements.

The changes driven by the AACSB accreditation process in the case university can be seen to have a number of implications for the highly-valued flexibility traditionally available to the academics. Such changes may impact in particular on faculty transitioning into academic from practice, thus making academia a less attractive career option for such accountants.

First, it appears that to gain AACSB accreditation, business schools in Australia will require the qualifications of lecturing faculty, including those employed on short-term contract or in teaching-focused schools, to conform to the US model whereby lecturers are expected to complete a PhD prior to applying for academic positions. This is a significant change from conventional practice in Australian accounting schools. In the past, faculty like Natalie who were moving into an academic career could focus in their first few years on building their teaching and administrative profile, while commencing their research training. Experienced research-active lecturers like Surah could be appointed without a PhD. The incentives (or punishments for failing) to complete a PhD as soon as possible identified in the case study show that the focus on the PhD qualification will increase workloads for all non-qualified faculty as they either undertake a PhD on top of their existing teaching or are required to take on additional teaching because they are not ‘research active’. Increased workloads are associated with increased stress (Winefield & Jarret, 2001; Winefield et al. 2003), which in turn will result in a fall in the desirability of academia as a place of employment.

The case study also indicated that accreditation will require AQ faculty to maintain particular levels of research output regardless of their fraction of employment during the period of assessment. By penalizing staff who have time away from work, perhaps to care for family members, due to personal illness, or taking long service leave, AACSB accreditation makes academia a less ‘employee friendly’ workplace, with faculty being given no choice but to work full time to meet the required output metrics. Faculty are thus more likely to end up stressed or even burnt out, with the consequent implication of higher turnover (Almer and Kaplan, 2002). Perhaps faculty like Natalie might echo the feelings of a new academic cited in Churchman’s (2002) study:

“I chose academia as a lifestyle decision. If I wanted to work this way, I would have stayed in chartered accounting where I would, at least, get paid for these long hours.” (p 650)

In an environment where accounting schools are competing for staff, destroying the flexible work practices that have comprised a significant competitive advantage for academic departments will only exacerbate the current staffing shortage.

Second, the requirement for the significant majority of faculty teaching accounting programs in Australian business schools to be ‘academically qualified’, combined with the shortage of such faculty in Australia, has been shown to divert the attention of school-level decision making and reward systems towards encouraging *all* faculty (or at least as many as possible) to become AQ rather than PQ or ‘unqualified’. While AACSB argues for the importance of ‘professionally qualified’ faculty within business schools (AACSB 2008), this case study appears to be endorsing US findings that PQ faculty like Natalie would not be hired into tenure-track positions. While Henninger (1998, p 416) suggests that in the US, PQ faculty “maybe...could help out” as contract or adjunct staff only, the actions of the case school seems to imply that PQ professionals like Andrew may not be acceptable even in an adjunct role while there is a shortage of AQ faculty. Reducing the number of PQ faculty makes it less likely that accounting students will gain the benefits that practitioners can bring to the classroom. As practitioners have comprised a significant source of academic labour, particularly in MBA programs, the discouragement of such persons from teaching may further increase the current faculty shortage.

Third, the pressure on staff to become academically qualified and to maintain such status indicates that Australian accounting schools may be moving to the “up or out” model typically seen in professional practice and common in US academic institutions (see, for example, Henninger’s (1998, p 415) evidence that faculty were “either up (to the degree [PhD] or out”). This in turn suggests there is no longer a place in the AACSB accredited school for faculty like Surah who wish to place a priority on teaching or professional activities or even university administrative activities and are content to remain at a lower level of appointment.

Such changes to the priorities of both existing and new faculty may impact negatively on both education quality (supposedly the objective of not just AACSB, but all universities) and on the financial security of universities. If universities across Australia follow the AACSB model of recruiting and retaining only “‘top’ researchers, who are adverse to teaching” rather than more ‘rounded’ academics or practitioners like Natalie, Surah and Andrew who are keen to teach (as well as research) and who can prepare students for employment, it is students who will “suffer poor quality teaching” (Tinker and Fearfull, 2007, p 137). As has been seen in the case business school, university rankings schemes are giving students increasing opportunities to publically identify such shortcomings. While AACSB accreditation is advocated as a means of attracting students, low rankings in national and international ‘quality’ indicators would be expected to have a negative impact on the ability of the university to attract future students and thus to earn the significant tuition fees that most rely on accounting schools to provide. If the increasing flow of international students abates, as is widely predicted, universities will become even more concerned about graduate ratings, as they compete for a decreased pool of tuition dollars. Student fees, and thus teaching quality, may see a resurgence of importance in the minds of Deans as universities struggle to be economically viable. However, if faculty that want to teach and to teach well are no longer present in academia, or have been effectively indoctrinated in the new research culture, regaining teaching quality may be a difficult exercise.

While Australian universities do not rely to the same extent on alumni dollars as a significant component of their revenue streams as their US counterparts, professional accountants will eventually become concerned about the lack of, or inadequacies in, technical content in university programs (Tinker & Fearfull 2007). Already, a rare study of the experiences of casual tutors, many of whom are professional accountants, indicates that they are often appalled by the attitude of many accounting academics towards teaching (Churchman 2002). Both professional accounting bodies in Australia have

established their own 'alternative pathways' to provide the equivalent of undergraduate accounting programs directly to students, rather than relying solely on universities to provide such education. While alumni may not contribute in any material way directly to Australian universities, they do have considerable political power to influence the future funding of tertiary education. If they do not perceive that such education provides value in terms of training future professionals, they will not be a source of support to lobby government to fund universities. They may also direct support to efforts by the professional accounting bodies to provide professional training themselves, rather than relying on the universities as in the past. Thus a decline in teaching quality or adequacy of university education for professional preparation may result in a loss of student numbers and a decline in the tuition and government funding on which universities rely.

Thus overall, it appears that AACSB accreditation may have a significant impact on the faculty shortage in Australia. By imposing a US-style training model on new faculty, increasing workloads for existing faculty, and requiring all faculty, regardless of the proportion of their time that they have to spend on research, to meet the same performance metrics, AACSB accreditation reduces much of the workplace and workload flexibility that has formed the traditional advantage of academia over practice. At the same time, the implementation of AACSB 'quality' standards appears to result in the devaluation of practice experience, and thus practitioners themselves, as an important contribution to good teaching. These consequences can only make academia a less attractive career option for accountants. In turn, this may well make the accounting education provided by Australian universities a less relevant and engaging experience for accounting students, who may then see enrolment in an accounting program as a less attractive education option.

6. Further research

This paper is intended to be an early exploration of potential issues associated with AACSB accreditation in contemporary Australian accounting schools. Further research is clearly required in this area. As noted in the case study, there is some scope for schools to define metrics associated with faculty sufficiency in differing ways. Perhaps some definitions will have a greater impact on faculty than others.

As AACSB accreditation becomes a more widespread feature of accounting schools, further examination of its actual impact is required. Such research would extend this paper which merely considered the early and potential impact of such developments. This paper also reflected a clear short-termism in many of the management reactions to the faculty insufficiencies regarding AACSB metrics. There is a need to study the longer term impact of current faculty management practices and to see if the views of senior management changes over time. Will they reprioritise teaching, if not above research, then at least to some form of equivalency?

There is also a need to examine the impact of AACSB in other non-US countries. Some New Zealand universities have had a longer period as AACSB accredited institutions than Australian universities. Investigating the New Zealand experience would provide greater insights into the longer term impact of AACSB in an environment with a similar history of accounting education to Australia. As AACSB are promoting their accreditation scheme across Europe and Asia, research is needed to understand the impact of accreditation on faculty in schools with a diverse range of cultures and histories.

7. Conclusion

Many Australian business schools are seeking to become AACSB accredited in order to increase their marketability for students. This paper has used a case study of a business school and its faculty to argue that AACSB accreditation will have a significant impact on individual academics within accounting schools. In particular, the inflexibility shown by AACSB regarding 'faculty qualifications' will make academia a less attractive career option for 'career change' accountants seeking the flexibility traditionally inherent in academic employment. It thus appears that the current obsession by Australian business schools to pursue AACSB accreditation may have a number of negative consequences for universities. It may in fact exacerbate, rather than relieve, the current shortage of accounting faculty and result in a fall in teaching quality, which ironically conflicts with the objective of AACSB accreditation to recognise high quality business education programs. The loss of ex-practitioners from the teaching faculty may also result in accounting programs that are perceived as less relevant and engaging by students. This in turn may have long term ramifications for the ability of the universities to attract students and thus earn the tuition fees on which they currently rely.

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