Changes in Workplace Expectations and Attitudes Towards the
Accounting Profession for Undergraduate Accounting Students and the
effect it may have on Job Satisfaction

By

TONY MCMURTRIE, BCom (Hons), MCom, CPA

A thesis submitted in fulfilment of the requirements
for the degree of Doctor of Philosophy
# TABLE OF CONTENTS

LIST OF FIGURES VII

LIST OF TABLES VIII

ABSTRACT X

DECLARATION OF ORIGINALITY XII

ACKNOWLEDGEMENTS XIII

CHAPTER - 1. INTRODUCTION AND BACKGROUND 1

1.1 RESEARCH BACKGROUND 1

1.2 AIM OF THESIS 3
  1.2.1 Objective One – University Impact on Expectations and Attitudes 4
    1.2.1.1 Research Questions: Objective One 5
  1.2.2 Objective Two – Comparison with workplace reality 7
    1.2.2.1 Research Questions: Objective Two 7
  1.2.3 Objective Three - Differences in University Sectors 8
    1.2.3.1 Research Questions: Objective Three 9
  1.2.4 Summary 9

1.3 SIGNIFICANCE AND CONTRIBUTION 9

1.4 METHOD 10
  1.4.1 Data Collection 10
    1.4.1.1 Survey Development 10
    1.4.1.2 Survey Delivery 11
  1.4.2 Data Analysis 11
    1.4.2.1 Statistical Significance Level 12

1.5 BACKGROUND ISSUES 12
  1.5.1 International differences in Accounting Training 12
    1.5.1.1 Australia 13
    1.5.1.2 United States 14
    1.5.1.3 United Kingdom 14
    1.5.1.4 Similarities and Differences 15
  1.5.2 Australian University System 16
  1.5.3 Generational Changes 17

1.6 THESIS STRUCTURE 20
3.6 DEMOGRAPHIC ISSUES

3.6.1 Gender 78
3.6.2 Age 79
3.6.3 Other Influences 79
3.6.4 Educational Institution 81

3.7 CONCLUSION 84

CHAPTER - 4. METHODOLOGY 85

4.1 INTRODUCTION 85

4.2 SURVEY 85

4.2.1 Self Administered Surveys 86
4.2.2 Researcher Administered Survey 87
    4.2.2.1 Face-to-Face 87
    4.2.2.2 Telephone 89
4.2.3 Time Dimension 90
4.2.4 Choice of Method 90
4.2.5 Questionnaire Preparation 92
    4.2.5.1 Initial Drafting 92
        4.2.5.1.1 Demographic Information 93
        4.2.5.1.2 Expectations of Practice 94
        4.2.5.1.3 Attitude 97
    4.2.5.2 Measurement Scale 98
4.2.5.3 First Draft 99
4.2.5.4 Focus group 101
4.2.5.5 Pilot study 105

4.3 SAMPLE SET 108

4.4 SURVEY DELIVERY 109

4.5 RESPONSE RATES 112

4.6 ANALYSIS 115

4.6.1 Non Response Bias 115
4.6.2 Factor Analysis 116
    4.6.2.1 Results 119
        4.6.2.1.1 Items that Loaded on different Factors to Previous Studies 120
    4.6.2.2 Reliability Tests 122
        4.6.2.2.1 Bartlett’s test of sphericity 122
        4.6.2.2.2 Keiser-Meyer-Olkin 122
        4.6.2.2.3 Cronbach’s Alpha 123
4.6.3 Normality 124
4.6.4 Hypothesis Testing 124
    4.6.4.1 Mann Whitney Test 125
    4.6.4.2 Kruskal-Wallis Test 125
    4.6.4.3 Spearman Rank Order Test 126

4.7 CONCLUSION 126
### CHAPTER - 5. RESULTS – EXPECTATIONS

5.1 INTRODUCTION

5.2 EXPECTATIONS AND JOB SATISFACTION

5.3 EXPECTATIONS AND YEAR LEVEL

5.4 STUDENT/EMPLOYED ACCOUNTANT DIFFERENCES

5.5 EXPECTATIONS AND DEMOGRAPHIC FACTORS
   5.5.1 Gender
   5.5.2 Age

5.6 OTHER INFLUENCING FACTORS
   5.6.1 Student Employment
   5.6.2 Parents Employment
   5.6.3 High School Studies
   5.6.4 Overall

5.7 PUBLIC ACCOUNTING

5.8 UNIVERSITY DIFFERENCES
   5.8.1 Expectations and Year Level – University differences
      5.8.1.1 Go8 Differences
      5.8.1.2 ATN Differences

5.9 DISCUSSION

5.10 CONCLUSION

### CHAPTER - 6. RESULTS – ATTITUDES

6.1 INTRODUCTION

6.2 ATTITUDE AND JOB SATISFACTION

6.3 ATTITUDES AND YEAR LEVEL

6.4 STUDENT/EMPLOYED ACCOUNTANT DIFFERENCES

6.5 ATTITUDE AND DEMOGRAPHIC FACTORS
   6.5.1 Gender
   6.5.2 Age

6.6 OTHER INFLUENCES
   6.6.1 Student Employment
   6.6.2 Parents Employment
   6.6.3 High School Studies
   6.6.4 Combined Effects

6.7 PUBLIC ACCOUNTING

6.8 UNIVERSITY DIFFERENCES
   6.8.1 Overall Differences
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.9</td>
<td>ATTITUDES AND YEAR LEVEL – UNIVERSITY DIFFERENCES</td>
<td>175</td>
</tr>
<tr>
<td>6.9.1</td>
<td>Go8 Differences</td>
<td>176</td>
</tr>
<tr>
<td>6.9.2</td>
<td>ATN Differences</td>
<td>176</td>
</tr>
<tr>
<td>6.10</td>
<td>CONCLUSION</td>
<td>179</td>
</tr>
<tr>
<td>7.0</td>
<td>CHAPTER - 7. RESULTS – DEMOGRAPHIC, JOB SATISFACTION, TURNOVER</td>
<td>182</td>
</tr>
<tr>
<td>7.1</td>
<td>INTRODUCTION</td>
<td>182</td>
</tr>
<tr>
<td>7.2</td>
<td>STUDENT DEMOGRAPHICS</td>
<td>182</td>
</tr>
<tr>
<td>7.2.1</td>
<td>Age</td>
<td>183</td>
</tr>
<tr>
<td>7.2.2</td>
<td>Gender</td>
<td>185</td>
</tr>
<tr>
<td>7.2.3</td>
<td>Exposure to Accounting</td>
<td>186</td>
</tr>
<tr>
<td>7.2.3.1</td>
<td>Parents</td>
<td>186</td>
</tr>
<tr>
<td>7.2.3.2</td>
<td>Employment</td>
<td>187</td>
</tr>
<tr>
<td>7.2.3.3</td>
<td>Schooling</td>
<td>188</td>
</tr>
<tr>
<td>7.2.3.4</td>
<td>Multiple Influences</td>
<td>188</td>
</tr>
<tr>
<td>7.2.4</td>
<td>Employment Intentions</td>
<td>189</td>
</tr>
<tr>
<td>7.3</td>
<td>JOB SATISFACTION/TURNOVER</td>
<td>191</td>
</tr>
<tr>
<td>7.3.1</td>
<td>Age</td>
<td>192</td>
</tr>
<tr>
<td>7.3.2</td>
<td>Gender</td>
<td>192</td>
</tr>
<tr>
<td>7.3.3</td>
<td>Other Influences</td>
<td>193</td>
</tr>
<tr>
<td>7.3.4</td>
<td>Intention to become Public Accountants</td>
<td>193</td>
</tr>
<tr>
<td>7.4</td>
<td>CONCLUSION</td>
<td>194</td>
</tr>
<tr>
<td>8.0</td>
<td>CHAPTER - 8. SUMMARY, IMPLICATIONS AND CONCLUSIONS</td>
<td>197</td>
</tr>
<tr>
<td>8.1</td>
<td>INTRODUCTION</td>
<td>197</td>
</tr>
<tr>
<td>8.2</td>
<td>SUMMARY</td>
<td>197</td>
</tr>
<tr>
<td>8.3</td>
<td>ISSUES AND IMPLICATIONS</td>
<td>202</td>
</tr>
<tr>
<td>8.3.1</td>
<td>Implications for Educators</td>
<td>208</td>
</tr>
<tr>
<td>8.3.2</td>
<td>Implications for Employers</td>
<td>210</td>
</tr>
<tr>
<td>8.4</td>
<td>CONTRIBUTIONS</td>
<td>212</td>
</tr>
<tr>
<td>8.5</td>
<td>LIMITATIONS</td>
<td>216</td>
</tr>
<tr>
<td>8.6</td>
<td>FUTURE RESEARCH</td>
<td>218</td>
</tr>
<tr>
<td>8.7</td>
<td>CONCLUSION</td>
<td>220</td>
</tr>
</tbody>
</table>
List of Figures

FIGURE 1: CONCEPTUAL MODEL SUGGESTED BY THE LITERATURE .........................................71
FIGURE 2 – AMENDED CONCEPTUAL MODEL .................................................................................205
TABLE 40 – INTEND TO BECOME PUBLIC ACCOUNTANTS: COMMENCING STUDENTS’ ATTITUDE ..............................................................173
TABLE 41 – ATTITUDE: UNIVERSITY DIFFERENCES .....................................................................................................................175
TABLE 42 – ATTITUDE: COHORT DIFFERENCES .........................................................................................................................175
TABLE 43 – ATTITUDE: GO8 COHORT DIFFERENCES .....................................................................................................................176
TABLE 44 – ATTITUDE: ATN COHORT DIFFERENCES .....................................................................................................................176
TABLE 45 – ATTITUDE: UNIVERSITY COHORTS AND EMPLOYED ACCOUNTANTS .........................................................................177
TABLE 46 – ATTITUDE: COMMENCING COHORTS AND EMPLOYED ACCOUNTANTS .................................................................178
TABLE 47 – ATTITUDE: COMPLETING COHORTS AND EMPLOYED ACCOUNTANTS .................................................................179
TABLE 48 – STUDENT RESPONDENTS’ AGE ........................................................................................................................................183
TABLE 49 – MANN WHITNEY MEAN AND SUM OF RANKS, AGE BY UNIVERSITY .................................................................184
TABLE 50 – MANN WHITNEY MEAN AND SUM OF RANKS, YEAR LEVEL ....................................................................................184
TABLE 51 – GENDER OF RESPONDENTS ......................................................................................................................................185
TABLE 52 – STUDENTS EMPLOYED WHILE STUDYING ................................................................................................................187
TABLE 53 – MULTIPLE ACCOUNTING INFLUENCES .....................................................................................................................188
TABLE 54 – STUDENT EMPLOYMENT INTENTION (YEAR LEVEL) .................................................................................................189
TABLE 55 – STUDENT EMPLOYMENT INTENTIONS (UNIVERSITY) ..............................................................................................190
TABLE 56 – CORRELATION, JOB SATISFACTION, TURNOVER INTENTION ................................................................................191
Abstract

This thesis reports the results of a study which examined the effects of university studies on the workplace expectations and attitudes of accounting students to public accounting. Previous research has suggested the expectations and attitudes have a significant effect on the levels of job satisfaction and employee experiences. This research also showed that job satisfaction can be a major influence on the decision to leave an employer. Employee turnover represents a major issue facing public accounting firms. Previous studies have provided a limited understanding of the role that universities play in shaping student expectations and preparing them for the reality of the workplace. This thesis provides additional understanding of these issues.

Drawing on the “met expectations hypothesis” and the “accounting attitude scale,” a series of hypotheses were developed in this thesis. Data were collected through a survey that was administered to commencing and completing accounting student cohorts at two Australian universities, and to accountants recently employed in public accounting firms. Using factor analysis, previous studies identified three components that explained a significant amount of the variance in expectations studies: (1) comfort, (2) reward, and (3) responsibility. Analyses in this thesis confirmed the presence of these three factors but also identified “the ability to earn a high income” as a fourth factor. Previously, this factor had been captured in the “reward” variable. This thesis suggests that the generational difference between the respondents to the prior research and those to this study is a possible explanation for this observation.

This thesis also confirmed the previously understood relationships between expectations and job satisfaction, and between job satisfaction and turnover intention. Moreover, this
thesis identified several changes in expectations and attitudes of students during their time at university. Demographic factors associated with these changes include the respondents’ age, their gender, and the university which they attended. Furthermore, there was a significant statistical difference between students who had studied accounting at high school and those who had not.

Previous research in the United Kingdom suggested differences in attitudes between students studying at “traditional” universities and those studying at “new” universities. Differences between university cohorts were also observed in this thesis, but were due to demographic differences in the universities’ student profiles per se rather than the universities themselves.

Overall, the results suggested that younger students enter university with higher expectations and a more positive attitude than their older counterparts. During their time spent at university, student expectations were reduced to the point where there was no difference between the age groups. This was particularly noticeable amongst those students who studied accounting at high school.

While subject to some methodological limitations, this thesis has identified the impact that study has on accounting students and the implications it has for both educators and employers in public accounting firms.
Declaration of Originality

I, Tony McMurtrie certify this work contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text.

I give consent to this copy of my thesis, when deposited in the University Library, being made available for loan and photocopying, subject to the provisions of the Copyright Act 1968.

I also give permission for the digital version of my thesis to be made available on the web, via the University’s digital research repository, the Library catalogue, the Australasian Digital Theses Program (ADTP) and also through web search engines, unless permission has been granted by the University to restrict access for a period of time.

...............................................

Tony McMurtrie
Acknowledgements

This thesis represents the culmination of many years of work. While I will receive the reward that goes with it, it could not have been achieved without the support and encouragement of many people.

This thesis would not have come to fruition without the guidance and support from my supervisors. Thanks must go to Margaret Lightbody and Amal Karunuratna for the invaluable assistance they provided in the early stages of this project, Margaret for helping identify the issues and work out just what I was looking at and Amal for taking a sometimes qualitative researcher and patiently explaining the intricacies of empirical research. Special thanks must go Grant Richardson who stepped in when Margaret left. Grant provided an experienced voice that was invaluable in bringing this project to completion. Notwithstanding the support provided by each of these friends, this thesis would not have been completed without Scott Henderson. Scott sacrificed his retirement to help with this project. He made sense of my incoherent ideas, he cut through my verbosity to make the thesis readable but most of all he gently picked me up when I was down and provided the encouragement when needed. Thanks must also go Scott’s wife, Margaret who let me borrow him, you can have him back now.

To my colleagues at the Adelaide University Business School who provided encouragement, support and ideas all along the way, thank you.

Special thanks must go to the people who helped by participating in this project; Fred Bloch and Kate Harris from the University of Adelaide, and Scott Coopeland and Kent Wilson from the University of South Australia who gave me unfettered access to their classes and to the 314 students who completed the survey. Thanks must also go to the HR
managers and accountants at the Big 4 accounting firms in Adelaide without whose support one of the main objectives of this study would have not been achievable.

Special thanks must also go to Roberta Veale who introduced me to the intricacies of Factor Analyses and without whose help this thesis would not have been possible.

Finally my biggest debt of gratitude must go to my family without whose love and support none of this would have been possible, or worthwhile. To the big”ns, you got mentioned last time. To the littl”ns, Philippa and Suzie, daddy”s finished and you got a mention. But especially to Catherine, three times I have promised you this is the last one and finally I will keep my promise. You were right; you did get there before me.

This thesis is dedicated to the memory of my parents, Ralph and Enid who taught me the value of „why”. Despite my „efforts” at high school they never stopped believing in me and taught me to believe in myself.