The Effect of University Studies on Accounting Student’s Workplace Expectations

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Abstract

This paper investigates the effect that university accounting studies have on students’ expectation of the public accounting workplace. For many newly employed accountants, university has been a major influencing factor on their workplace expectations. Informed by the “met expectations hypothesis” this study identifies the changes in workplace expectations accounting students go through during their studies. Comparisons are also made with the workplace reality as perceived by newly employed public accountants. The results indicate that completing students feel their workplace expectations are less likely to be met compared to commencing students. However, the results indicate the commencing students’ expectations are better aligned with the reality of the workplace compared to completing students. The degree to which expectations are met will have a major influence on the level of job satisfaction employees feel and the likelihood of them changing employer. This paper suggests that this reduction in expectations may lead to students withdrawing from their accounting studies due to a mistaken belief that are not going to achieve a desirable level of job satisfaction when they commence employment. The onus is on accounting educators to identify where expectations are being eroded and put in place strategies that will reduce this effect.

Keyword: Job Satisfaction, Public Accounting, Met Expectations, Accounting Education
Introduction

The ability to attract and retain good staff is of paramount importance to most organisations. This is particularly true for service firms who rely a great deal on the relationship between staff and client for their survival. Amongst these service firms are the Public Accounting firms where the problem of staff turnover has been recognised in the literature for some time.

Evidence from this study suggests that as many as 75% off all accounting students would like a career in public accounting. However it would appear that many are disappointed once they enter the profession as various studies have reported early attrition rates of between 15 and 30 percent over the first five years of employment (Rhode, Sorensen and Lawler, 1977; Bullen and Flamholtz, 1985; Bernardi and Hooks, 2001; Stocks and Hardin, 2001). Stocks and Hardin (2001) go onto suggest turnover rates may be as high as 80% over the first ten years of employment. While there is no evidence to suggest that these turnover rates differ from comparable professions the problem is that accounting firms are losing staff they wish to keep.

The pyramidal structure of public accounting firms requires some level of turnover of junior staff, however the issue for these firms is the possibility that they are not always retaining those staff members they wish to keep. For some firms the loss of staff early in their careers can have a major financial impact. Firms can invest a large amount in training new staff and early turnover means that the firm is not always in a position to recover its investment (Brierley and Gwilliam, 2003). By understanding those factors that drive the turnover rates they face, accounting firms may be better able to realise their investment by retaining those staff members they wish to keep.

People will leave their employment when they come to the view that the level of job satisfaction they are experiencing is less than the level of satisfaction they believe they
will experience in another situation. In addition to the turnover problem where staff leave their employment situation there is also the problem of ‘withdrawal behaviour’. Withdrawal behaviour involves not only those employees who have left the organisation but those who ‘withdraw’ within the workplace. These behaviours will include employees absenting themselves from work on a regular basis, and performing at the minimal level while at work. From an employer’s perspective this behaviour is potentially more damaging than a complete withdrawal from the workplace. The question that employers need to understand is “why two people facing the same situation feel different levels of satisfaction?” Part of the answer to this question may lie in the ‘met expectations hypothesis’. This view suggests that peoples’ satisfaction levels will, in part, be determined by the degree to which their expectations are met or conversely remain unmet.

Many new staff members in public accounting firms are employed directly after they have completed their university studies. A large proportion of these new employees will have no experience in public accounting so their university studies will become a major contributing factor in the formation of their workplace expectations. This study explores the effect that university studies have on accounting students’ workplace expectations and compares student expectations with the reality as perceived by recently employed public accountants.

The rest of this paper will firstly review some of the previous literature that has looked at job satisfaction. The concept of met expectations is then examined. This study used a survey based methodology so the issues relating to preparing and administering the instrument are then discussed and finally the data collected and the inferences that flow from that data are discussed and some conclusions are drawn.
Literature

Job Satisfaction

The relationship between turnover or turnover intention and a person’s level of job satisfaction is well understood. Drawing on the vocational and psychological literature, Rhode et al. (1977) surmised that:

“…turnover occurs because people select from possible alternatives the course of action which they feel will maximise their net expected satisfaction – the excess of expected satisfaction over dissatisfaction. Consequently, when individuals have job and career expectations that are unfulfilled by the realities of public accounting work, they choose other jobs (p 773).”

From an employer’s perspective understanding the factors that influence job satisfaction will help manage turnover issues. It is important to realise that a loss in job satisfaction does not automatically lead to turnover. A reduction in job satisfaction can lead to reductions in productivity, increases in absenteeism, increased turnover rates, and ultimately people leaving their chosen profession altogether (Porter and Steers 1973; Mobley 1977 Mobley, Horner and Hollingsworth 1978; Fairbrother and Warn 2003). If employers can understand what factors satisfy their employees, then it would be possible to manage these productivity and turnover issues.

Within the literature, job satisfaction has been treated by some research as a single construct whereas other studies have considered satisfaction as the product of numerous factors. Studies that have considered satisfaction as a unique construct (for example, Aranya, Lachman and Amernic 1982; Poznanski and Bline 1997; Hiltebeitel and Leauby 2001 Van Breukelen, Van Der Vlist and Steensma 2004) examined the link between turnover and satisfaction and have clearly supported the relationship between these two factors. Of particular interest to this paper is Hiltebeitel and Leauby (2001) who examined the migratory patterns of accountants who had recently commenced their first accounting job. They found that young public accountants were less likely to move
than accountants employed in other sectors but when they did change employment they were more likely to seek employment in another accounting sector. Contrasted to this were the young accountants in the government and commerce sectors who, while more likely to change jobs, sought employment within the same sector as their first job. Further investigation suggested that many of the public accountants who had chosen not to change employment were using the public accounting firms for support as they gained their post graduate professional qualification before changing careers. This strategy of using the public accounting firms to support their post graduate qualification before moving on has implications for the public accounting firms. The provision of the support they provide has a cost and it is the increased earning capacity of the accountants post qualification that provides the firms with the opportunity to recoup that cost. If the majority of students commence their studies with the goal of a career in public accounting but are planning to move on as soon as their professional qualification is completed, then something has happened to them during their studies to suggest they may find more satisfaction employed in another field. An understanding of the factors that influence satisfaction may allow educators and firms to put strategies in place that can raise the satisfaction level of their students and employees thereby reducing the likelihood of them changing careers.

Rather than looking at the effects of changing satisfaction levels another group of studies have considered those factors that influence a person’s level of satisfaction. Influencing factors can be divided into two groups, those that relate to the workplace and those that relate to the individual. Not surprisingly, from a workplace perspective, factors that have been considered tend to relate to the rewards and conditions employees saw as being available in the workplace. Within the workplace factors such as the nature and extent of communication, the level of guidance and leadership provided, the way the conflict between professional and organisational commitment is managed, and the
level of financial and promotional rewards available have all impacted on the level of job satisfaction.

Several demographic factors have been shown to be associated with job satisfaction and the ensuing turnover intention. While investigating the relationship between organisational commitment and job satisfaction, Reed, Kratchman and Strawser (1994) found that gender was not seen as being a factor. However, when examining the antecedents to job satisfaction and organizational commitment a significant difference between males and females was found in relation to work-family balance. For females this was a significant influence on the levels of satisfaction and commitment they identified. Other studies have also identified a gender difference in lifestyle preferences and job satisfaction (Rhode, Sorenson and Lawler (1976), Nouri, Parker and Sumanta (2005)). The other demographic factor commonly investigated is age and, notwithstanding the gender influence identified above, no significant association between age and job satisfaction could be identified.

Greenhaus, Seidel and Marinis (1983) demonstrated an association between the expectations an individual had of the workplace and the level of job satisfaction they experienced. From the newly employed accountants’ perspective, several studies have linked students’ workplace expectations with job satisfaction and ultimately therefore turnover intentions. According to Sorensen, Rhode and Gordon (1973) the workplace expectations of accountants entering the profession differ from the expectations that senior accountants have of the role of the juniors. Many young accountants enter the workforce with a ‘professional’ ideal while the senior accountants are more likely to have a stronger “firm first” orientation. The need to balance these two opposing forces can have a negative impact on satisfaction. Part of this professional ideal is thought to stem from the accounting education the new employees have experienced where the profession has been presented as interesting and exciting whereas for young accountants
many of the tasks performed lack the interest and challenge that young accountants are looking for and therefore have a negative impact on their view of their profession. Several studies (see Reed and Kratchman (1989), Carcello, Copeland, Hermanson and Turner (1991), Ferguson and Hatherly (1991), and DeZoort, Lord and Cargile (1997) as examples) have compared the expectations of students about to enter the accounting workforce with a view of the reality they will face when they commence work. In each case there was a gap between the students’ expectations and the perceived reality they faced. This difference between the students’ expectations and the reality of the workplace would help explain the organisational reality shocks that Dean, Ferris and Konstans (1988) identified newly employed accountants suffer.

Two common factors exist in these studies. First, in most cases the students’ expectations were identified near the end of their university studies so little understanding of the effect that their studies had on these expectations is available. Second, the perception of reality used in these studies was based on views that may not necessarily reflect the reality the young university trained accountants perceive when they have recently entered the workforce. Phillips and Crain (1996) assessed the expectations of final year students by providing them with a list of realistic and unrealistic workplace expectations and asking them to identify the realistic ones. This study found that the students had many ‘unrealistic expectations’ when it came to their future employment. One issue that is considered a problem with their study is the way in which duties and responsibilities were determined to be realistic or unrealistic. No reference to any actual working environment was undertaken. Instead the degree of realism associated with each of the duties and responsibilities listed ‘were based on the authors’ personal experiences and discussions with other accountants’ (Phillips et al, 1996 p 22). A study by DeZoort et al. (1997) looked at the change in expectations
between junior and senior students\textsuperscript{1} and identified a difference between these two groups. No comparison was made with the workplace but they did compare the students’ expectations with the academic staff who provided them with their accounting education. Surprisingly, while it was suggested that the major influence on the students’ expectations during their undergraduate years was the academic staff, the perceptions of the senior students was still significantly different to that of the academics. Reed and Kratchman (1989) examined near graduation accounting students to assess their expectations and then surveyed them again 12 – 18 months after they commenced employment. The results showed that as accounting students the subjects placed importance on different attributes than they did when they were surveyed as practitioners. Ferguson and Hatherly (1991) included first, second, and third year university students in their comparison with accounting trainees employed in accounting firms and identified a difference between the students and the trainees. However, the study was not able to identify any changes that occurred during the students’ period of study as no analysis was made of differences between the different student year levels. Carcello et al. (1991) did compare the student expectations with their perception of workplace reality by examining student expectations just prior to their completion and then again once they had been working for between 1.5 to 3.5 years. They found a significant difference between the expectations the respondents had as students and the perception of reality the presented once they were employed.

Each of these studies provides some insights into the relationship between students’ expectations and the workplace reality. While there is some evidence that students’ expectations change while they are studying and that the expectations they have when they complete their studies is different to the reality they will face, there is no complete

\textsuperscript{1} This study was conducted in the US college system. Junior students were those commencing their accounting program and senior students were within in one semester of completing their accounting major. This comparison equates with the commencing and completing students in this study.
understanding of the changes that occur during and post study and the effects this may have on initial job satisfaction.

**Met expectations**

Over the years several theories have been used to try and explain the issues facing new employees and in particular their likelihood of exhibiting withdrawal tendencies. Early theoretical frameworks used to try and explain the issue included Cognitive Dissonance theory (Festinger 1957; Festinger and Carlsmith 1959), Self Image theory (Tom 1971; Sirgy 1982; Markus and Worth 1987; Nasby 1997; Mehta 1999), Un-programmed Decision making (Soelberg 1967; Sheridan, Richards and Slocum Jr. 1975), Vroom’s Expectancy theory (Mitchell 1974; Sheridan et al. 1975 Dillard 1979; Greenhaus et al. 1983; Harrell and Stahl 1984; Van Eerde and Thierry 1996), and The Psychological Contract (Rousseau 1989; Robinson, Kraatz and Rousseau 1994; Robinson and Rousseau 1994; Morrison and Robinson 1997).

Both the expectancy model based on Vroom’s theory and the psychological contract thesis suggest that employees will attain satisfaction or maintain their level of satisfaction if the relationship they have with their employer or the expectations they have of the workplace are realised. From an employee/employer relationship perspective the problems arise when expectations are not realised.

Both Greenhaus et al. (1983) and Dean et al. (1988) were able to show that when employee expectations were different to the reality there was an impact on satisfaction. The results differ slightly in that Greenhaus et al. (1983) suggested that when expectations were exceeded, a positive impact on satisfaction may result whereas Dean et al. (1988) were unable to demonstrate this. Both studies however agree that when expectations are not met there is a negative impact on satisfaction with a potential increase in withdrawal behaviour. It has been shown that a loss of job satisfaction may
occur when employees’ expectations have not been met in their work environment. This fits with the Met Expectations Hypothesis (MEH) which is a theoretical framework that has been developed to provide deeper understanding between expectations and job satisfaction.

After closely examining the existing research, Porter and Steers (1973) suggested that a solution to the dilemma could be found in the expectancy/valence theory as espoused by Vroom. Under this model, the level of satisfaction that people feel would be influenced by both expectations they had for the workplace and the likelihood that these expectations would be achieved. This idea led Porter and Steers (1973) to describe the concept they labelled ‘met expectations’.

“The concept of met expectations may be viewed as the discrepancy between what a person encounters on this job in the way of positive and negative experiences and what he expected to encounter.’ (Porter and Steers, 1973, p 152)

This would explain why two employees facing the same reality but with different expectations would experience different levels of satisfaction.

Having its roots in the Industrial and Organization Psychology (IOP) literature the MEH has been used to try and understand many facets of the employment relationship including job satisfaction which was revealed in a Meta analysis by Wanous, Poland, L. and Davis (1992) as having a very strong correlation to expectations.

One of the main problems with early MEH based studies was the manner by which expectations were defined (Wanous et al. 1992; Irving and Meyer 1994; Irving and Meyer 1995; Irving and Meyer 1999). With relation to people entering the workforce many studies used direct measures of confirmed expectation. Subjects were asked to indicate the level to which their pre-entry expectations had been met by their post entry experiences (Irving and Meyer, 1999). The issue with this approach was that while it provided information about employee expectations, it failed to indicate the factors on
which expectations were based. To help overcome this problem Irving and Meyer (1994) drew on the work relevance research of Manhardt (1972). Subjects were provided with 25 statements relating to job attributes and asked on a 5 point Likert scale to identify how likely it was that their future employment would provide these attributes. A Principal-Components analysis by Irving and Meyer (1994) distilled the results down to three distinct constructs that can be used to define expectations; comfort, reward, and responsibility. Irving and Meyer (1994) described these components as:

1. Comfort: the degree to which individuals expect to experience comfortable working conditions

2. Reward: the degree to which individuals expect to receive both intrinsic and extrinsic rewards.

3. Responsibility: the degree to which individuals expect to occupy an important role within the organisation.

Using these elements drawn from the MEH this study examines accounting students’ workplace expectations of public accounting in order to be able to ascertain the effect that university education has on student expectations and the potential impact on their job satisfaction once they have commenced employment.

**Methodology**

In line with Irving and Meyer (1994, 1995) a questionnaire was prepared that included both demographic information as well as the 25 job characteristic statements from Manhardt (1972) that were designed to capture the students’ employment expectations. The characteristics used by Manhardt and later by Irving et al. can be seen in Table 1 below.
To understand the expectations that students have and the reality that young accountants perceive, this questionnaire was administered to students from two universities and to accountants who had recently been employed in the Big 4 accounting firms. The universities chosen to participate in this study were a Group of 8 (Go8) university and an Australian Technology Network (ATN) university. In the Australian university environment the Go8 are the eight traditional universities and the ATN are a grouping of five universities that were created through the amalgamation of various Institutes of Technology and Colleges of Advanced Education in each of the mainland states. The ATN are the largest universities in Australia catering for approximately 20% of all students. Their history means that their focus is on more technical disciplines such as engineering and accounting\(^2\).

These two universities were chosen for several reasons. First, the universities chosen are located in the same city meaning that the local students will be more likely to have been exposed to the same influences. Second, both universities teach their accounting program in a broad based business school where students have completed one semester of study before commencing a dedicated accounting pathway. Finally a Go8 and an ATN were chosen to provide a cross section of the accounting student population as the tradition of the Go8 is that they have focused primarily on school leavers as their student base whereas the ATN has also deliberately catered for mature age and working students. By administering the survey to students from both these universities the views of a wider demographic spread of students is available.

To establish the workplace expectations that students have when they commence their studies the survey was administered to students enrolled in the first dedicated accounting course during the first week of classes. In total 633 surveys were distributed.

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to this group and 186 were returned representing a response rate of 29.4%. To identify the effect of the education process 415 surveys were distributed to students during the final week of their final accounting course. 128 responses were received at a response rate of 30.8%. One aim of this study was to determine what effect any changes in students’ expectations may have on their job satisfaction. To provide a basis for comparison, accountants that had completed their studies and commenced employment in a public accounting firm during the last five years were also surveyed. 190 surveys were distributed and 78 were returned at a response rate of 42%. To test for non-response bias the responses were divided into quintiles. Tests of the differences of means were conducted between each of the groups comparing early and late respondents to determine if there were any significant differences between the overall responses and the perceived views of non-respondents using the latest respondents as a proxy. There were no significant differences between the early respondents and the late respondents indicating that there was no ‘non-response bias’.

**Measures**

The items used to determine expectations and reality are shown in Table 1. Each of these statements relates to a facet of the workplace that may impact on the employee’s level of job satisfaction. Respondents were asked to indicate their level of agreement to the statement on a five point Likert Scale ranging from 1: “strongly disagree” through to 5: “strongly agree”. Prior to conducting the survey a focus group was conducted to help identify the best layout for the survey instrument and to ascertain that the focus of the questionnaire was the intended one. After some minor adjustments that arose following suggestions of the focus group the questionnaire was pilot tested on a group of students who would not be part of the main study. This study was used to help identify any issues relating to analysis etc. that may have needed to be addressed. No significant changes were necessary.
<table>
<thead>
<tr>
<th></th>
<th>Workplace Characteristics</th>
<th>All Respondents</th>
<th>Go8 Students</th>
<th>ATN Students</th>
<th>Employed Accountants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Public accounting requires originality and creativeness.</td>
<td>3.09</td>
<td>3.11</td>
<td>3.12</td>
<td>2.97</td>
</tr>
<tr>
<td>2</td>
<td>Public accounting makes use of my specific educational background.</td>
<td>3.97</td>
<td>3.94</td>
<td>4.02</td>
<td>3.96</td>
</tr>
<tr>
<td>3</td>
<td>Public accounting encourages the continued development of knowledge and skills</td>
<td>4.33</td>
<td>4.21</td>
<td>4.36</td>
<td>4.54</td>
</tr>
<tr>
<td>4</td>
<td>Public accounting is a well respected occupation.</td>
<td>4.15</td>
<td>4.05</td>
<td>4.29</td>
<td>4.14</td>
</tr>
<tr>
<td>5</td>
<td>Public accounting provides me with job security</td>
<td>4.05</td>
<td>3.99</td>
<td>3.95</td>
<td>4.36</td>
</tr>
<tr>
<td>6</td>
<td>Public accounting provides me with the opportunity to earn a high income.</td>
<td>3.78</td>
<td>3.72</td>
<td>3.88</td>
<td>3.74</td>
</tr>
<tr>
<td>7</td>
<td>Public accounting makes a social contribution through its activities</td>
<td>3.52</td>
<td>3.59</td>
<td>3.50</td>
<td>3.37</td>
</tr>
<tr>
<td>8</td>
<td>Public accounting gives me the opportunity to take risks</td>
<td>2.94</td>
<td>2.94</td>
<td>3.04</td>
<td>2.77</td>
</tr>
<tr>
<td>9</td>
<td>Public accounting requires working on problems of central importance to clients.</td>
<td>3.92</td>
<td>3.82</td>
<td>3.99</td>
<td>4.04</td>
</tr>
<tr>
<td>10</td>
<td>Public accounting involves working with congenial associates.</td>
<td>3.46</td>
<td>3.27</td>
<td>3.52</td>
<td>3.75</td>
</tr>
<tr>
<td>11</td>
<td>Public accounting provides me with ample leisure.</td>
<td>2.58</td>
<td>2.70</td>
<td>2.66</td>
<td>2.15</td>
</tr>
<tr>
<td>12</td>
<td>Public accounting provides variety in duties and activities.</td>
<td>3.53</td>
<td>3.42</td>
<td>3.57</td>
<td>3.69</td>
</tr>
<tr>
<td>13</td>
<td>Public accounting provides comfortable working conditions</td>
<td>3.59</td>
<td>3.50</td>
<td>3.60</td>
<td>3.78</td>
</tr>
<tr>
<td>14</td>
<td>Public accounting permits advancement to high administrative responsibility.</td>
<td>3.83</td>
<td>3.80</td>
<td>3.76</td>
<td>4.03</td>
</tr>
<tr>
<td>15</td>
<td>Public accounting permits working independently.</td>
<td>3.69</td>
<td>3.68</td>
<td>3.59</td>
<td>3.91</td>
</tr>
<tr>
<td>16</td>
<td>Public accounting rewards good performance.</td>
<td>3.73</td>
<td>3.62</td>
<td>3.82</td>
<td>3.79</td>
</tr>
<tr>
<td>17</td>
<td>Public accounting requires me to supervise others.</td>
<td>3.47</td>
<td>3.35</td>
<td>3.46</td>
<td>3.73</td>
</tr>
<tr>
<td>18</td>
<td>Public accounting is intellectually stimulating.</td>
<td>3.68</td>
<td>3.51</td>
<td>3.76</td>
<td>3.91</td>
</tr>
<tr>
<td>19</td>
<td>Public accounting would satisfy my cultural and aesthetic interests.</td>
<td>2.97</td>
<td>2.96</td>
<td>3.03</td>
<td>2.91</td>
</tr>
<tr>
<td>20</td>
<td>Public accounting has clear cut rules and procedures to follow.</td>
<td>3.93</td>
<td>3.95</td>
<td>3.88</td>
<td>4.00</td>
</tr>
<tr>
<td>21</td>
<td>Public accounting permits me to work for superiors I admire and respect.</td>
<td>3.47</td>
<td>3.28</td>
<td>3.43</td>
<td>3.94</td>
</tr>
<tr>
<td>22</td>
<td>Public accounting permits a regular routine in time and place of work.</td>
<td>3.59</td>
<td>3.58</td>
<td>3.64</td>
<td>3.54</td>
</tr>
<tr>
<td>23</td>
<td>Public accounting requires meeting and speaking with many other people.</td>
<td>4.12</td>
<td>4.11</td>
<td>4.09</td>
<td>4.18</td>
</tr>
<tr>
<td>24</td>
<td>Public accounting permits me to develop my own methods of doing work.</td>
<td>3.22</td>
<td>3.12</td>
<td>3.31</td>
<td>3.26</td>
</tr>
<tr>
<td>25</td>
<td>Public accounting provides me with a feeling of accomplishment.</td>
<td>3.69</td>
<td>3.68</td>
<td>3.79</td>
<td>3.56</td>
</tr>
</tbody>
</table>

Table 1 - Workplace Characteristics: Average Responses
The average response for each item from each of the survey groups is provided in Table 1. In line with Manhardt (1972) a factor analysis was conducted using a Principal Component Analysis with Varimax rotation. The ordinal nature of the data can be a problem for factor analysis however, Rigdon and Ferguson (1991) suggest a weighted least squares approach as used in this study will provide a satisfactory outcome. An initial analysis of all 25 items failed to converge after 25 iterations but provided eight factors with Eigen values of 1 or greater. These 8 factors explained 55% of the variance but the lack of convergence meant that the resulting factors did not convey any meaningful information. The study by Irving and Meyer (1995) was based on 20 of Manhardt’s items as Irving and Meyer (1994) had demonstrated that a three component solution was evident. This study has followed the guide of Irving and Meyer (1995) and ran the analysis using these 20 items. After removing two items that each had loadings of less than .4 a five factor model was identified that explained 47% of the variance. One of these factors had only one item loading onto it. This item related to the ability to earn a high income which in previous studies had been captured in the “reward” variable. The removal of this single item provided a four factor model that was very similar to the results of both sets of previous studies. One factor consisted of only two items (items 20 and 22) but these two items had previously been included in the comfort variable and an analysis of them would indicate that they still fit in the element of comfort so were included with the other factor that consisted of the comfort item. The remaining items had loaded in a very similar manner to previous studies so the factors of “reward”, “responsibility” and “comfort” were identified. The final factor result is shown in Table 2.
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Component Loading</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>Public accounting is intellectually stimulating.</td>
<td>.768</td>
</tr>
<tr>
<td>3</td>
<td>Public accounting encourages the continued development of knowledge and skills</td>
<td>.625</td>
</tr>
<tr>
<td>25</td>
<td>Public accounting provides me with a feeling of accomplishment.</td>
<td>.620</td>
</tr>
<tr>
<td>4</td>
<td>Public accounting is a well respected occupation.</td>
<td>.554</td>
</tr>
<tr>
<td>21</td>
<td>Public accounting permits me to work for superiors I admire and respect.</td>
<td>.516</td>
</tr>
<tr>
<td>9</td>
<td>Public accounting requires working on problems of central importance to clients.</td>
<td>.449</td>
</tr>
<tr>
<td>7</td>
<td>Public accounting makes a social contribution through its activities</td>
<td>.427</td>
</tr>
<tr>
<td>11</td>
<td>Public accounting provides me with ample leisure.</td>
<td>.678</td>
</tr>
<tr>
<td>8</td>
<td>Public accounting gives me the opportunity to take risks</td>
<td>.623</td>
</tr>
<tr>
<td>19</td>
<td>Public accounting would satisfy my cultural and aesthetic interests.</td>
<td>.572</td>
</tr>
<tr>
<td>24</td>
<td>Public accounting permits me to develop my own methods of doing work</td>
<td>.546</td>
</tr>
<tr>
<td>1</td>
<td>Public accounting requires originality and creativeness.</td>
<td>.462</td>
</tr>
<tr>
<td>15</td>
<td>Public accounting permits working independently.</td>
<td>.750</td>
</tr>
<tr>
<td>5</td>
<td>Public accounting provides me with job security</td>
<td>.584</td>
</tr>
<tr>
<td>13</td>
<td>Public accounting provides comfortable working conditions</td>
<td>.444</td>
</tr>
<tr>
<td>22</td>
<td>Public accounting permits a regular routine in time and place of work.</td>
<td>.716</td>
</tr>
<tr>
<td>20</td>
<td>Public accounting has clear cut rules and procedures to follow.</td>
<td>.623</td>
</tr>
</tbody>
</table>

Table 2 – Factor Analysis Results

While the results of this factor analysis are very similar to Irving’s there were some slight differences. The two items other than income that failed to load onto any factor were “Public accounting rewards good performance” and “Public accounting provides variety in duties and activities”. Item 9, “Public accounting makes a social contribution through its activities” and Item 7, “Public accounting requires working on problems of
central importance to clients” were classified as part of responsibility by Irving and Meyer (1995). In this analysis they have loaded with the other items that could be classified as reward. The independence that comes with Item 7 may well be seen as a reward for good work. The shift in Item 9 could possibly be reflective of changes in social attitudes between the time of the Irving and Myer (1994, 1995) studies and this study. Social contribution may previously been perceived as something that had to be done but today there appears to be a view that contributing to the wider society brings its own intrinsic rewards. Item 15 “Public accounting permits working independently” originally loaded onto the responsibility factor but in this analysis has loaded into comfort. It would appear to sit comfortably in either factor. Items 11 “Public accounting provides me with ample leisure” originally loaded into comfort which would be intuitively sensible but in this analysis it has loaded very strongly in the responsibility factor. Given the similarity between the factor loadings, the variables of comfort, reward, and responsibility that had previously been used to define the overall expectations construct were considered for this study. These three variables explain 45% of all variance, compared to 38% by Irving and Meyer (1994) and 37% by Manhardt (1972).

Results

The purpose of this study was to determine the effect of university studies of students’ workplace expectations. In addition to the variables of comfort, reward, and responsibility outlined above an additional variable of ‘expectation’ was created. This variable is a combination of all the factors. To determine whether students’ expectations changed during studies a Mann-Whitney test was used to determine the difference in mean ranking between the commencing cohort and the completing cohort.
<table>
<thead>
<tr>
<th>Factor</th>
<th>Year Level</th>
<th>Mean Rank</th>
<th>Sig</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comfort</td>
<td>Commencing</td>
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<td>.001</td>
</tr>
<tr>
<td></td>
<td>Completing</td>
<td>137.7</td>
<td></td>
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<tr>
<td>Reward</td>
<td>Commencing</td>
<td>164.48</td>
<td>.099</td>
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<td></td>
<td>Completing</td>
<td>147.35</td>
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<td>Responsibility</td>
<td>Commencing</td>
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<td>.005</td>
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<td>Completing</td>
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<td>Overall Expectations</td>
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<tr>
<td></td>
<td>Completing</td>
<td>134.32</td>
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</tbody>
</table>

Table 3- Mann Whitney: Student Expectation Factors

As can be seen in Table 3 above, significant declines in ranking can be observed for comfort, responsibility, and overall expectations. This would indicate that commencing students feel the workplace is more likely to meet their expectations in this area than completing students do. Using a Spearman Rank Order test a positive correlation (.323) between total workplace expectations and expected job satisfaction was observed (sig. = 0.000). This would suggest that in line with declining expectations the level of satisfaction that students expect to get from their first job in Public Accounting would be lower than it was when they commenced their studies.

In order to identify other possible factors that may impact on changes in student expectations, students’ gender, age, and the university they were attending were taken into consideration. With respect to gender, with the exception of reward, no overall significant difference between males and females was observed. The reward variable suggested that females had a higher expectation that the workplace would provide a greater level of both intrinsic and extrinsic reward. In terms of age, the youngest students had a higher comfort expectation than their older colleagues but no significant difference could be identified for the other factors. The only factor for which a difference between the universities was identified was reward with the ATN having a
higher expectation than their Go8 counterparts. Overall there is no real gender, age, or university effect.

The results outlined in Table 3, above, indicate that the expectations of students reduce during their studies. What this does not indicate is whether this change in expectations is going to have an effect on the level of job satisfaction experienced when they commence work or not. A comparison of the newly employed accountants’ perception of their reality with the expectations that completing students had indicated that significant difference existed in the level of comfort, reward, and overall level of expectation. In all these instances the students’ expectation was lower than the perception the accountants had of their reality. A comparison of the expectations of commencing students and the reality as perceived by young accountants reveals no significant differences in all factors except reward where students’ expected rewards were lower than the reality reported by the accountants.

On the surface this would appear to be a positive outcome. The Met Expectations Hypothesis would suggest that while students’ expectations diminish during their studies, the reality they face when they commence employment will exceed their expectations so any reality shock they encounter will be positive. However two issues arise in relation to this situation. Of major concern to accounting educators should be the significant way student expectations relating to working in public accounting fall during their time at university. Students enter university with a workplace expectation that is not significantly different from the reality the young employed accountants perceive they are working in. When they complete their studies their expectations are lower and while the MEH would suggest they are therefore more likely to be satisfied in their job. This lowering of expectations during their studies may well have a negative effect on them while they are students. The link between expectations and satisfaction and the ensuing link between satisfaction and withdrawal behaviours might suggest that
as expectations diminish students may undertake some withdrawal behaviours. Any such withdrawal must lead to a reduction in the education experience of students and they may ultimately withdraw from accounting studies completely.

From an employer’s perspective, the possible loss of good accounting staff because they become disillusioned during their studies and never complete is an issue of concern. In addition new staff will have a lower expectation of the responsibilities that they face which may result in a lowering of the standards of work produced. A lower standard of work can have the effect of reducing customer satisfaction and therefore have a negative impact on the employer’s business.

The reality the students encounter is actually more positive than they expected but this difference arises not necessarily from a positive work environment but from a diminishing of expectations while they are studying. From an employer’s perspective lower workplace expectations suggest that employees are more likely to have these expectations met and therefore feel satisfied in their position and less likely to withdraw or leave.

**Conclusions**

This paper has investigated changes in student workplace expectations during their time at study. While providing valuable insights it is subject to some limitations. Ideally a study of this nature should be conducted as a longitudinal study, tracking a single cohort over a period of time. Due to resource constraints this study was unable to do this. This study has restricted its investigation to public accounting. This is in recognition of the diversity of the accounting profession which would suggest that expectations that relate to one facet of accounting mat not relate to another. In addition this research was restricted to two universities in one city and as such the results may not be able to be
extrapolated outside this context. Further research across other regions may help determine the wider generalisability of these findings.

Notwithstanding these limitations this paper still provides some value insights into the changing views students have of the workplace. The education process has been seen to have had a negative effect of students’ workplace expectations and this should be of concern to the education system. If student expectation change to the point where they no longer feel they are going to achieve an acceptable level of satisfaction when the commence employment, they may reconsider their decision to study accounting. Students who may in fact, have achieved a desired level of satisfaction but mistakenly believe they won’t may withdraw from accounting studies and be lost to the profession completely. The university system should try to provide the students with the most positive experience possible. Students will choose a career that they expect to be satisfying, and for some young people who wish a career in public accounting the current accounting education system is failing them as it is having a negative effect on their expectations and therefore the level at which they will be satisfied. Universities need to identify the areas where expectations are being eroded and endeavour to make the educational experience as positive as possible so students can enter the workforce with a positive view of the profession they have chosen.
References


