

ACCOUNTING EDUCATION, ACCOUNTING PROFESSION AND COVID-19

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Abstract

The COVID-19 pandemic has had a significant impact, especially in terms of the many changes in regulatory and policy aspects, and in particular challenges in the accounting and education sectors. The 2020 academic year is considerably different from previous years and institutions, staff, and students are facing complex challenges. In terms of the impact of the COVID-19 pandemic on different countries' education systems many differences exist. Online learning is an amalgamation of various pedagogical models instead of any one single model. The purpose of this article is to present the impact of the coronavirus on higher education in accounting, the challenges that students face in online learning and evaluating the impact of COVID-19 on the accounting profession.

Key words: students, accounting education, accounting profession, COVID-19

JEL: I2, M4

Introduction

The COVID-19 Pandemic has been spread throughout the world and has changed the whole structure of life including the fields of business education and accounting. As part of the effort to contain the spread of the coronavirus, public spaces such as schools, universities, and offices are closing down so that people can stay at home and prevent a further spread. Staying at home and learning from home is a way to break the Covid-19 Pandemic chain but still be able to conduct the learning process. Various learning methods are implemented so that learning objectives can still be achieved, and one of them is e-learning. The delivery of lectures with e-learning is closely related to student understanding. Moreover, lectures via e-learning during the Covid-19 Pandemic event were carried out in full. This means that there are no lectures in class and meeting with lecturers so that students need independence to study. The existence of e-learning also requires the availability of information technology that supports the smooth learning process. E-learning is closely related to the understanding of students including accounting students. An

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understanding of accounting is measured by how a student understands what has been learned at this time.

The factor that can affect a person's success besides cognitive intelligence is emotional intelligence. Moorhouse (2020) believes emotional intelligence is a person's ability to motivate themselves, rise to face weaknesses, manage moods and manage themselves so that they can continue to think, empathize, and pray. Another factor used to study the understanding of accounting courses is the availability of information technologies. The next factor that can influence accounting understanding is the use of instructional media. E-learning can be interpreted as an online learning media that utilizes the internet in its use. E-learning facilitates the interaction between students and lecturers. Lecturers can upload teaching materials online that can be downloaded by students and also give assignments to students. Favale et al (2020) state that the application of e-learning has a significant effect on student understanding.

UNESCO reported on April 1, 2020 that 189 countries announced the closure of all kinds of educational institutions. In a study conducted by the International Association of Universities (IAU) to investigate the impact of COVID-19 on the higher education globally, a global survey was distributed to 9,670 higher education institutions, out of which 423 institutions from 109 countries answered the survey fully. The results indicated that all institutions were affected in this pandemic. Almost all higher education institutions (HEIs) said that the learning process has been affected. They also stated that the majority (67%) of the participants experienced a transition from the traditional learning (face-to-face) to online learning. Whereas 24% of the institutions reported that they were working on developing solutions that guarantee the continuation of the learning process. The majority of HEIs stated that all campus activities were cancelled. A high percentage of the institutions (91%) declared that they are well-equipped to communicate effectively with their students and staff. Financially, 81% of the surveyed indicated that they have infrastructure in place to communicate with their students and staff about COVID-19 (IAU, 2020).

The COVID-19 pandemic significantly affected the activity of accounting professionals, who were forced into changes in their work routine, while, generally, experiencing difficulty in adapting to the newly emerging work demands (Papadopoulou et al., 2020). Figure 1 presents the theme of crisis management in accounting education and on the specific effects of COVID-19, and highlights major problems encountered in the response and stabilization stages of crisis management.

Methodology

The methodology used is based on general scientific methods of scientific knowledge – analysis, synthesis, induction and deduction, as well as on specific methods, specifically applying the systematic approach, the historical approach, the method of comparison and the abstract-logical method. The information base of this study is the result of wide-scale studies of international professional organizations on the development of education and the impact of the coronavirus on accounting education and profession.



Source: KCONNECT (2020).

Figure 1: The KCONNECT COVID-19 crisis model

COVID – 19 and accounting education

Academic institutions, professors, and students had to quickly adapt and switch to a virtual exchange of both teaching and learning remotely. It is extremely important to have open communication with their students.

Global trends are transforming the world and the future of work in accountancy (Velinova-Sokolova, 2020). As the profession takes center stage in building and protecting businesses and organizations in a sustainable global economy, people will have to adapt, skills will have to transform and learning will have to evolve (Khan, 2020). In order to remain resilient, there are five zones of opportunity that will help students build sustainable careers and businesses (see Table 1).

Table 1: The zones of opportunity

Type of zones	Characteristics
The assurance advocate	The focus is on enterprise risk management to help drive transparency and the understanding of emerging issues affecting business performance.
2.The data navigator	The basic point is to use emerging tech and analytical tools to drive insights that deliver business outcomes and sound financial management of the organization.
3.The sustainability trailblazer	They are at the heart of performance management in an organization and play a key role in establishing frameworks that capture, evaluate and report on the activities that truly drive value.
4.The business transformer	They are the architects of organizational change – use technological innovation and new commercial opportunities.
5. The digital playmaker	He/she looks to connect across teams and functions and focus on digital implementation programs or have specialized expertise in particular finance and business technologies.

Source: Cengage group (2020).

For accounting professors struggling with the online teaching transition, scientists recommend the following tips to make the transition easier:

- Embrace technology. Learning to embrace technology aids in the transition from in-the-classroom to online teaching.
- Communicate with your students. The professors emphasized the importance of making sure students get what they need from their learning experience.
- Go paperless. The teachers have all their accounting resources easily accessible online for anyone to use. Capturing your teaching notes and assignments in a virtual file center makes it easier for both students and professors to access when needed, especially during times like this.
- Be creative with your curriculum. The professors will be creating different modalities to keep things exciting and incorporate different ways of teaching and communicating in each virtual classroom. They also try to add interactivity and reflection activities into their curriculum each semester (Sarea, 2020).

Globalization and innovations in Information Technology made it essential that university accounting graduates should be fluent in technical knowledge (hard skills) besides non-technical (soft skills). Having technical knowledge alone is not enough for preparing graduates for their future career. There are many online teaching resources for accounting professors to use when making the transition to virtual teaching. According to Oxford Dictionary (2020), soft

skills are defined as personal qualities that qualify someone to communicate well with the others; soft skills also include team work, enthusiasm, and emotional intelligence. Soft skills emphasize accounting graduates' ability to collaborate with the internal and external workplace stakeholders including customers, workplace stakeholders, coworkers, and management. Development in accounting education either in universities or institutions is highly appreciated to keep up with the business demand. This development would enhance students' abilities to meet the expectations of the labor market. All knowledge, skills, qualities, and understanding that should be developed by students during their study in the university are known as students' qualifications. De La Harp and David (2012) agreed that soft skills are a critical outcome of a modern university education, and accounting graduates need to be capable of demonstrating the necessary skills when seeking graduate employment. Students had to be skilled with independence and lifelong learning to overcome the challenges in their way of success. Accounting students need to learn and practice skills that would enable them to be more efficient and flexible in their professional development and toward lifelong learning (Cord et al., 2010).

The impact of COVID-19 on accounting education is connected with a range of personal, social, technical, political and economic infrastructure issues are recounted and discussed, including:

- Internet access issues, including affordability;
- Broadband bandwidth overload issues, particularly when there are multiple homeworkers and students at home;
- Power supply instability;
- Students with no suitable equipment;
- Students, and staff, whose online class experience was hindered by lack of a quiet space of access to computers, because the family was all together;
- Shortage of suitable IT for learning or teaching;
- Personal, particularly faculty, preference for face-to-face interactions, and inertia towards moving to alternatives (reflected in several references to relief felt or expected by faculty when they return to face-to-face delivery);
- Learning resource access issues, for example, to libraries and specialist software;

Loss of student support within the university systems (Ahinful and Boakye, 2020).

The COVID-19 crisis forced accounting faculty and students to shift to an online teaching, learning, and assessment environment with little or no notice. This brought about significant changes for both groups. It is highly likely that several aspects of the changed delivery model will be with us for many years. To

inform our practice in the years ahead, there is a need to examine empirically a wide range of related issues (Sangster et al., 2020):

- Students' preferences for, and satisfaction with, different forms of blended and online learning (synchronous/asynchronous; video -vs- voiced-over presentations, discussion boards, etc.).
- Impact of different delivery modes on student engagement and alienation (behavioral, cognitive, affective, social, etc.).
- Impact of different delivery modes on student performance and achievement (grades, higher order learning, critical thinking, etc.).
- Examining ways to engender good study skills, especially the self-efficacy, self-reliance and time management skills that are so important in more blended or online learning environments.
- Examining ways to develop professional skills (oral communication, negotiation skills, team-working, creativity) in an online or blended model.
- Building learning communities among students in blended and online environments.
- Exploring ways to provide pastoral/social care to accounting students.
- The preparedness of the accounting faculty for good online or blended instructional design.
- Investigating the efficacy of teaching practices and behaviors under blended/online/ hybrid models.
- Team-teaching and collaboration, and how this is facilitated in online and blended courses.
- Action learning research concerning various dimensions of instructional design (Sangster et al., 2020).

The Education 4.0 paradigm constitutes a set of technological innovations and pedagogical transformations in education that promote a combination of man and technology in the service of improving and adapting learning to better meet the expectations of Industry 4.0. One transformation in higher education is Digital transformations. Today, digitalization is changing everything, and we are witnessing major revolutions in education that are disrupting the interaction between the different actors in education (Gueye, Exposito, 2020). The current context of digital transformations is based on the permanent integration of technology as a learning tool that promotes the development of new innovative learning methods. Kandri (2020) states that online learning is an amalgamation of various pedagogical models instead of any one single model as it is a specialized learning science that includes the delivery of content, behavioral analytics, learning psychology and assessments. Online classes require long hours of internet service, peaceful space and one device/ phone dedicated to each student in a family, which might not be affordable for everyone. In a country like India, where students from di-

verse socio-economic backgrounds have to take care of domestic chores, family members and children, managing with limited space in the house, managing with a limited budget and poor connectivity in rural areas etc. all this may cause them to deal with discomfort, frustration and shame (Bania and Banerjee, 2020). Thus, according to Sarkar (2020), online classes have added to the already existing feelings of vulnerability among students.

IT-enabled learning has been at the heart of accounting education during the COVID-19 crisis and there is hunger among many accounting educators for evidenced-based good practice guides and practice exemplars. Thus, there is a great opportunity for studies that:

- Examine the efficacy of different technological tools in accounting education.
- Explore how to leverage the potential of technology for assessment innovation.
- Use technology to introduce novel types of learning activities for students (e.g. shared learning activities with students in different universities and countries).
- Examine collaboration practices and initiatives among accounting educators.
- Examine the ways in which technology can support practices that foster deeper student learning (Ahinful and Boakye, 2020).

COVID-19 and accounting profession

The accounting profession involves the provision of a wide range of services, pertaining to the fields of accounting and finance, both to legal entities but also to individuals. The globalization and extrovert market policies, as well as developments taking place on a social, economic and technological basis constantly create new challenges, which modern accountants are called to face; this renders their task even more important, but, at the same time, more complex (Guthrie and Parker, 2016). For the first time in modern history the World Health Organization (WHO) has declared a global pandemic, which resulted in the majority of countries around the world taking emergency measures aiming both at the protection of civilians, and at the protection and support of the economy. This decision can be explained in terms of Baldwin and Weder di Mauro's (2020) suggestion that the virus may be as contagious economically as it is medically. The main problem is how the accounting profession has been affected by the COVID-19 pandemic, how accountants have tried to adapt to emergency changes imposed in response to the pandemic, and which problems have occurred, potentially affecting the accountants' efficiency in their professional activity.

Like every profession, accountancy will emerge from COVID-19 changed. Accountancy is not a profession operating in a static world, and the skills

learned have to reflect an equal measure of agility. There is a clear need for well-rounded skill sets that combine technical skills and professional skills that are rooted in relationship-building and communication. Already, professional accountants are dynamic thinkers with an aptitude for proactive planning. We are trusted partners in times of change and uncertainty, and we must be prepared for that demand to continue. The pandemic highlighted the importance of future-proofed skills that can anticipate and are agile in a new world – a world where professional accountants are established as strategic leaders (Appelbaum, 2020). Professional accountants are – and will continue to be – strategic partners in any setting, be it in the private or public sector. The pandemic tested our capacity as business drivers, and we rose to the occasion. This is a pivotal moment for the accountancy profession – one where we will change old paradigms and embrace new skills for the digital and rapidly evolving world in which we live. Professional accountants are the highly strategic, collaborative, problem solvers who will help businesses and governments – large and small. In academia, as in the workforce, it has become clear that much of the accountancy profession’s infrastructure needed to transform, not just for the immediate future but also for the long term.

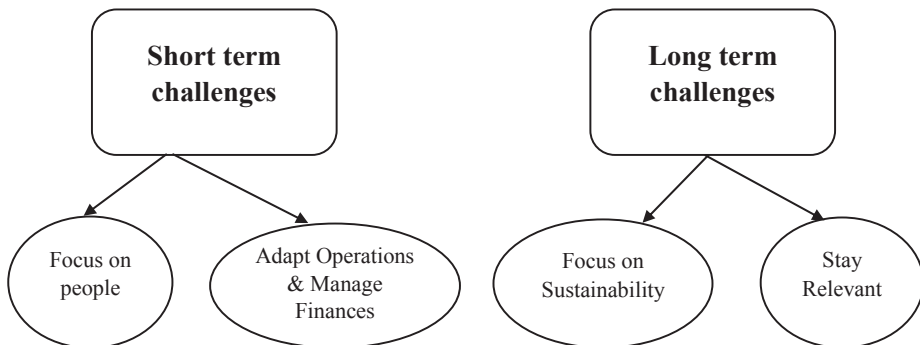
While the core skills of the professional accountant have not drastically changed due to COVID-19, the profession is changing (IFAC, 2020).

As we reach the one year anniversary of stay-at-home mandates across the nation, it’s important to reflect on how COVID-19 has changed the accounting and tax industry as we knew it. For the past year, many of us have been waiting to return to “normal,” and to how our work was conducted before COVID-19. The increased adoption of technology within the tax and accounting industry was already a trend pre-pandemic, but COVID-19 forced this process to be significantly accelerated. From the use of the cloud to virtual client and staff engagements and more, accounting professionals and firms – whether well-versed in technology or not – were quickly catapulted into full-remote practices (Hood and Stine, 2021). Accounting technology has eliminated the number cruncher sitting behind a desk working on people’s taxes and has allowed the accountant to find new challenges with much more to offer the decades ago when they relied on an abacus for a calculating tool (Kruglinski, 2009; Leary, 2020.). Today’s accounting professionals who understand the importance of the Internet will use the Internet for e-business. Electronic business (e-business) allows the accounting firm to coordinate activities for internal management and combines the clients’ relationships with the use of digital networks. Accountants were pushed towards acquiring new skills due to the advancements that information technology has made on the accounting industry. Accountants now have to have a high level of computer and technical

skills. These skills have become part of the knowledge, and abilities of the accounting professionals. In its report the American Institute of Certified Public Accounts (AICPA) cities that, “The knowledge, skills and abilities necessary for the entry-level accountant now include the application and integration of information technology into the accounting process, as well as financial and managerial accounting principles”.

One important lesson we have learned in 2020 is that flexibility can be an asset. From more permanent work-from-home opportunities to shifting away from the typical nine-to-five, companies have found benefit in giving employees more leeway with their schedules. Flexible work will continue well after the pandemic. This is another trend that started pre-pandemic and was greatly accelerated in the last year. Many firms are actively working on a permanent flex-work policy by giving employees 2 – 3-day work-from-anywhere options. Crisis breeds innovation is not just the tax and accounting industry that has innovated throughout the pandemic – businesses across industries are using this crisis to breed innovation. Businesses and individuals that are struggling financially are seeking ways they could do it better. Because of this, our expertise is needed more than ever (Hood and Stine, 2021).

There was a heightened focus on engagement and communication, and for those facing financial, social or other challenges, this extended to mental health support. The main challenges are present in figure



Source: Confederation of Asian and Pacific Accountants (2020).

Figure 2: Challenges facing accounting profession

In the short term, there was a heightened focus on engagement and communication, and for those facing financial, social or other challenges, this extended to mental health support. Looking in a longer term perspective, the challenges highlighted by the health pandemic morphed with the challenges already being addressed by the accountancy profession.

Conclusion

Accounting students should get skilled well to deal with changes in employers' expectations; these expectations are found as parameters depending on urgent situations in the labor market, crises, technology, and tough competition (Deloitte, 2020). Higher education should presumably prepare accounting students to deal with the changing expectations in the labor market. In addition to basic skills, students should be educated in a different way from the current learning knowledge and skills for a quick recovery from the negative impact of COVID-19 pandemic on the international economy. Twenty years ago, online learning would have been impossible. While we could argue that we have been fortunate this time that online delivery in some form was available to many of us, the impact on health of accounting faculty and students suggests very clearly that we were not ready for a change on the scale we have experienced. This needs to be addressed so that the health and well-being of accounting faculty and students is not at risk should this type of event recur (Sangster et al., 2020).

COVID-19 limits accountants' ability to meet face-to-face with co-workers and clients, and unprecedented, unpredictable economic hardships have fallen upon accounting firms and clients alike. Concurrent research (Dohrer and Mayes, 2020) predicts that "COVID-19 presents a veritable "perfect storm" for fraud risk, and auditors should be on a high alert. The lasting impact of COVID-19 on the accounting professional remains largely unknown. COVID-19 has led to an extremely difficult year for everyone across the globe. Just as it is important not to lessen hardships faced, it is also important to recognize how we have evolved for the better. The accounting industry can use lessons from the past year to continue to flourish this next year and well beyond. This is our defining moment, to move our industry from being essential to being indispensable.

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