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TO WHAT EXTENT ACCOUNTING EDUCATION PROCESS IN IRAQ
AGREE WITH THE INTERNATIONAL ACCOUNTING EDUCATION
STANDARDS

Dr. Mohanad Mohamed Almudhafar, University of Basrah – Accounting Dpt./ Iraq.

Dr. Mohanad Hadi Salih, University of Basrah – Accounting Dpt./ Iraq.

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ABSTRACT

Iraq faced major economic changes after 2003. The most important of which, integration into the global economy, and the entry of many foreign companies to it, especially in the field of oil industries. As a result, many new requirements have emerged, among them, the availability of local accounting staff who capable of meeting the needs of foreign companies, besides the local companies. The current research has focused on the first step to assess the eligibility and competency of the local accounting staff by determining the gap between the abilities and merit of the accounting education graduates in Iraq and the international accounting education standards. We used questionnaire to achieve this purpose. The questionnaire was distributed to three groups: students, teachers and employers, which together form the views of the parties involved in the educational process in Iraq. The analysis of the questionnaire showed the approximate gap in each of the first four standards of international accounting education standards.

Introduction

The relationship between accounting education and business environment take extensive attention by academics and professionals alike, because this relationship have material effects on the functioning of the activities of organizations. Each business environment owns certain social, economic and political characteristics. Work in this environment requires compatibility with these characteristics in order to reach a better level of

interaction. This interest has increased dramatically over the past three decades due to rapid changes in the business environment. These changes have emerged as a result of a number of developments that have taken place, which summarized by Russell, et al. (2000:6) in three key developments: technological developments, globalization, and Investment force in the capital markets.

These developments led to the complexity of the business environment significantly, and increasing the intensity of competition as well as increase the degree of uncertainty. So business environment became highly dynamic and that gave it the ability to change at any time and in any direction, and in most cases cannot predict the direction of environmental changes. This making the organization vulnerable to a greater risk of failure and collapse, which requires that organizations search for new methods and tools to enable them to adapt to the dynamics of the business environment in order to survive and continue. Among the areas to be renewal is the accounting profession, which constitutes the cornerstone to the most critical decisions in the organization. New changes in the nature and content of the business environment has resulted in significant changes in the nature of the skills that must be owned by accountants seeking to add value for their clients (Jackling and De Lange, 2009: 369), therefore, the organizations began searching for accountants that if they will not be able to fully adapt to the new environment changes, they must minimize as far as the negative impacts of these changes on the organization.

Literature Review

The changes in the Organization's accounting skills requirements, needs fundamental changes in accounting education systems to meet these requirements. But the reality indicates otherwise, many professionals and employers feel that the accounting education does not provide the required quality of graduates that companies needs today (Feucht et al., 2011: 133; Jackling and De Lange, 2009: 371). The great acceleration in the business environment has not offset by a fundamental change in accounting education to meet the needs of the new business environment. In many cases, the changes and developments taking place in the business environment not Just incompatible with accounting graduates' competences, but even the new business environment reject the traditional role of accountants because they not contributing to add value to their clients. This has caused a risk to the accounting profession. If educational institutions are unable to graduate accountants who meet the needs of the organization, the employers will be looking for people with another kind of knowledge that meets their requirements. This is evident by the low number of accounting graduates who are selected to major in accounting as a result of employers' feeling that the accounting certificate is less valuable than the rest of the other business certificates or is less valuable than it once was (Kushniroff, 2012:110).

To confrontation the imbalance in the relationship between accounting education and the organization and then the business environment, many researchers have tried to identify the problem or problems facing

accounting education to open the way for finding appropriate solutions to raise the confidence in the accounting profession again. Albrecht and Sack (2001: 19) indicated that the main problems of the lack of accounting education's ability to meet the requirements of organizations rests with the content of curriculum, which moved away from the actual needs of work dramatically. One the main reasons for this move away lie with the content and design of curriculum as being driven by the interests of faculty and not according to what is required in the labor market (Wally-Dima, 2011: 7). So Elliot and Jacobson (2002) noted that accountants need more knowledge in additional areas such as organizational behavior, strategic management, and measurement and analysis skills. Lawson et al. (2014: 297) stressed that the university has focused on providing students with fundamentals and rules of financial accounting, audit instructions and procedures, accounting standards and other purely accounting materials that give the accounting graduates ability to treat routine accounting operations procedures, but it does not provide them with the knowledge that allow them adaptation to changes in the environment during the work period.

Attempts to identify and bridge the gap between accounting education and professional practices are not limited on the individual efforts of researchers, but rather that it has adopted by a many international professional organizations have realized the importance of this subject and the threat it on the accounting profession. Since the mid-eighties of the last century rise the voices of professional accounting entities, along with the voices of employers and academics to criticize the accounting education programs because it failed to provide the graduates with potentials competencies (Knowledge, skills and personal qualities) required in the modern, sophisticated technology and the rapid change business environment (Bui and Porter, 2010: 23). In response to this criticism it has formed several committees by the bodies and organizations concerned with the accounting profession to identify and address the problems in accounting education. Bedford Committee in 1984, The Committee to Change of Accounting Education (AECC) in 1989, Pathways Commission and Joint working group to develop a curriculum in 2010, are some of the efforts spent by these committees.

In spite of the importance of studies on the change in accounting education, whether completed by the individual researchers or the professional organizations, which Identify the gap between the capabilities that can be expected by organizations from graduate students and what is potential competencies owned by them. The results of these studies have not been able to find satisfactory solutions which can bridge this gap. Although a strong and continuous calls for reform, there were only simple attempts to regulator change, while traditional methods of accounting education continued to dominate on educating and training (Merino, 2006), Most professional committees have drawn attention to the need for a revolution in accounting education, however, the lack of systematic development in accounting education has led this development being merely a reaction to events (Middleton, 2010: 32). The most important reasons that led to this failure are that each researcher or a committee looks at the problem from the environmental angle that operates in it. These

angles are certainly different from one environment to another, so we find that the solutions are usually scattered and incoherent and it deals with special cases of a specific environment without others. This caused the lack of consensus on the type of knowledge and skills required for students of accounting in light of the growing global accounting profession, and are the reason that led to the lack of access to appropriate solutions to this problem.

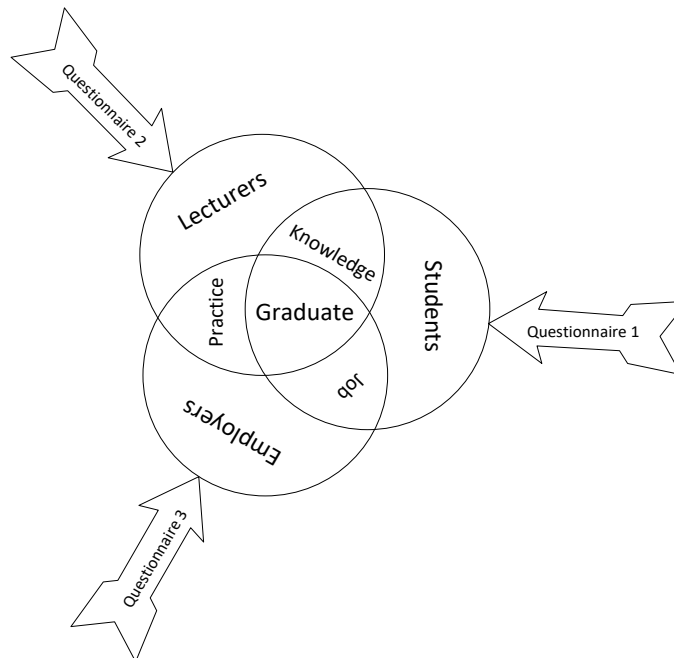
IFAC has realized this fact, that the accounting profession has shifted from its domestic framework to the global framework, and that this transformation is going so fast. So any imbalance in the accounting profession appears anywhere in the world we find repercussions in all economies of the world. Thus, IFAC tried to solve this problem from a collective perspective that includes all the angles through which this problem can be seen, by creating a common ground for accounting education and accounting profession. It adopt general standards converge between perspectives of accounting education and accounting profession and how to develop them. Finding the common elements in the structure of accounting education in the world will help the solutions to achieve consensus and global adoption. In addition, efforts to solve the problems that can face accounting education will be integrated globally to reach a solution that can meet the needs of all parties. Therefore, a general framework must be placed for the profession of accounting, starting from the first step, which is represented by accounting education through accounting practices, ethics, continue education, and so on. This framework forms the common basis guiding the activities of the accounting profession in every part of the world. Thus, the International Accounting Standards Board (IAESB) issued eight standards, the first four were specialized in accounting education. The aim is to draw the general guidelines that must be characterized the educational process of accounting. While the last four dealt with the practical life of graduates. These eight standards give an idea of what accountants should be in IFAC member states, and set a timetable for the adoption of these standards, Iraq is one of those members.

Research Questions

Iraq's need to adopt the standards of international accounting education is not only because it is a member of IFAC, but because of the great economic transformation that occurred during the previous few years. This transformation led to the entry of a lot of foreign companies in a many fields, the most important of them, oil companies. The importance of obtaining highly qualified accountants to work in these companies has increased whether to carry out accounting work in the local environment for the benefit of these companies, or to achieve better communication between foreign companies and local public companies. So we need to test the ability of the educational process in Iraq to meet the requirements of international accounting education standards required to graduate qualified accountants are able to meet the requirements of international companies entering the Iraqi market. To achieve this goal we will borrow the model provided by Stone, et al (2013) with some modified. This study that must take the views of three parties to determine the extent to which the

educational process is moving away from international accounting education standards, these parties are students, educators, and employers. Each of these parties is associated with other as described in the figure (1):

Figure (1)
Graduate of Accounting Education Process



Our questions will be covering the first four standards which related to the process of accounting education as follow:

1. An Iraqi student enrolled in the study of accounting sciences has a sufficient level of requirements to enter this study.
2. Programs of accounting education in Iraqi educational institutions provides graduate student with professional and scientific qualification that can meet the requirements of the environment in which he will work.
3. The accounting curriculum in Iraqi educational institutions includes many skills that enable graduate student to work as a professional accountant.
4. Programs of accounting education in Iraqi educational institutions provides graduate student with framework for ethics and professional values.

Methodology

The sample

The target population of the study consists of the accounting department at University of Basrah / Iraq and also the foreign oil companies operating in Basrah / Iraq. The foreign oil companies operating in Basrah have been selected as being more able to assess the level of the accounting process as they have more experience in international standards for accounting education. These companies are also recruiting a number of accounting

graduates to work with them either as a result of forcing the local laws of these companies to recruit local people, or the actual need for such individuals to reduce the costs they can incur as a result of bringing accountants from foreign countries. Thus, these companies are more able to assess the process of accounting education and process's ability to meet the international requirements of this profession. The Accounting Department/ University of Basrah were chosen because of the concentration of the most oil companies in the province of Basrah. As a result, the most applicants to work in these companies are graduates of the Accounting Department / University of Basrah.

The Questionnaire

Three questionnaires were created on the three relations between the parties to the educational process. The first questionnaire was directed to students to determine the level of their assessment about accounting educational process; the questionnaire was divided into four parts, each of which dealt with one of the four standards of accounting education. The second was directed to the teaching staff at the Accounting / University of Basrah, The questionnaire also included four parts addressing the first four standards of international accounting education. The third questionnaire was directed to employers (foreign oil companies) as the beneficiaries of the outputs of the educational process. The questionnaire included three parts, namely the second, third and fourth standard of the international standards for accounting education, where the first standard was excluded because employers are unable to assess the admission requirements of students in Iraqi universities. Respondents in all questionnaires were asked to indicate on a scale from strongly disagree (1), disagree (2), Neutral (3), agree (4), strongly agree (5). Distributed and received questionnaire copies for three parties shown in the table (1):

Table (1)
Distributed and Received Questionnaires

Groups	Distributed Copies	Valid and Returned Copies	Percentage (%)
Group 1: Students	100	78	78
Group 2: Lecturers	20	16	80
Group 3: Employers	70	55	78.6
Total	190	149	78.4

Analysis and Discussion

The statistical program SPSS v.24 was used to analyze the data in the three questionnaires. The stages of the analysis and results were as follows:

1. Reliability Analysis

In order to ascertain the reliability and validity of the questionnaire, the reliability of the three questionnaires was tested through the Alpha Cronbach coefficient, the test results shown in the table (2):

Table (2)

Reliability Analysis (Cronbach's Alpha)

Questionnaire	Reliability	Validity	N of Items
Student	0.884	0.94	78
Lecturer	0.960	0.98	16
Employer	0.805	0.90	55

According Cronbach's Alpha test, the table above shows that the three questionnaires have passed the test with high levels of reliability and validity.

2. Compare Means

The questionnaire was designed to determine the opinions of students, teachers and employers about how close or away the educational process in Iraq from the standards of international accounting education. Therefore, each standard was given a specific part in each questionnaire to determine the direction of the opinions of the respondents on each standard by extracting the mean response to that part, both through achieved by individual group with individual standard, or by all groups with individual standard. The results shown in the table (3):

Table (3)
Means and S.D

Group		Standard1	Standard2	Standard3	Standard4
student	Mean	2.9231	3.7212	3.6154	3.8821
	N	78	78	78	78
	Std. Deviation	.43292	.61927	.71820	.70871
lecturer	Mean	2.8813	2.9722	2.9250	3.0000
	N	16	16	16	16
	Std. Deviation	.61343	.73535	.91104	.96801
Employer	Mean		3.1636	3.3805	3.7409
	N		55	55	55
	Std. Deviation		.67669	.31975	.45634
Total	Mean	2.9160	3.4349	3.4546	3.7352
	N	55	110	110	110
	Std. Deviation	.46488	.71769	.66013	.70858

3. Percentage of Gap

In order to quantify the gap more precisely, the five-digit Likert scale is converted to a percentage scale to determine the percentage of the gap, the results shown in the table (4):

Table (4)
Percentage of Gap

	Standard 1	Standard 2	Standard 3	Standard 4
Student	2.9231	3.7212	3.6154	3.8821
Lecturer	2.8813	2.9722	2.9250	3.0000
Employer	-	3.1636	3.3805	3.7409
Total	2.9160	3.4349	3.4546	3.7352
Weighted	Neutral	Neutral	Neutral	Agree
Gap*	2.084	1.5651	1.5454	1.2648
% Gap	%41.68	%31.302	%30.908	%25.296

* Gap = 5 - Total

Table (4) shows the gap between the accounting education process in Iraq and international accounting standards in each of the four standards. The ratio is calculated on the basis that the scale with five degrees equal to the 100% percentage scale. So, the strongly agreement of the respondent with the questions by reference to the fifth degree (strongly agree) refers to complete compatibility between the educational process with international accounting education standards, then it mean the percentage of compatibility is 100%, and so on with other levels of Likert scale. This calculation shows that the bulk of the gap is in the first standard (2.084) which equal (41.68%), this refers, there is a weakness in the entry requirements of students enrolled in the accounting education program in Iraq, while the lowest gap falls in the fourth standard (1.2648) which equal (25.296%), that focuses on achieving a certain level of profession ethics with the graduates.

4. Significant Differences

The measurement of the level of responses in each questionnaire and for each standard requires knowing whether there are significant differences in the means of answers which received from students, teachers and employers. Therefore, the level of variation in the responses should be tested. In this case the One-way ANOVA test will be appropriate. The rule of decision will be if Sig. > 0.05 there are no statistically significant differences between the means. If Sig. < 0.05 there are statistically significant differences between the means. The results shown in the table (5):

Table (5)
ANOVA Analysis

		Sum of Squares	df	Mean Square	F	Sig.
Standard 1	Between Groups	.023	1	.023	.106	.745
	Within Groups	20.075	92	.218		
	Total	20.099	93			
Standard 2	Between Groups	13.864	2	6.932	16.227	.000
	Within Groups	62.367	146	.427		

	Total	76.231	148			
Standard 3	Between Groups	6.806	2	3.403	8.612	.000
	Within Groups	57.689	146	.395		
	Total	64.495	148			
Standard 4	Between Groups	10.332	2	5.166	11.790	.000
	Within Groups	63.976	146	.438		
	Total	74.308	148			

Table (5) shows the analysis of variance, it can be said that there are no statistically significant differences in the means of responses for both students and teachers in relation to the first standard (sig. > 0.05). While the second, third, and fourth standards, we can notice that the value of (sig. < 0.05), thus, there are statistically significant differences between the means of responses of students, teachers and employers. Here we should know which of the three means are causing these differences. For this purpose, we will use the post-analysis (LSD). The rule of decision will be if Sig. > 0.05 there are no statistically significant differences between the means, if Sig. < 0.05 there are statistically significant differences between the means. The results shown in the table (6):

Table (6)
Multiple Comparisons
(LSD)

Dependent Variable	(I) Group	(J) Group	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Standard2	student	lecturer	.74893*	.17937	.000	.3944	1.1034
		employers	.55752*	.11508	.000	.3301	.7850
	lecturer	student	-.74893*	.17937	.000	-1.1034-	-.3944-
		employers	-.19141-	.18565	.304	-.5583-	.1755
	employers	student	-.55752*	.11508	.000	-.7850-	-.3301-
		lecturer	.19141	.18565	.304	-.1755-	.5583
Standard3	student	lecturer	.69038*	.17251	.000	.3494	1.0313
		employers	.23487*	.11068	.036	.0161	.4536
	lecturer	student	-.69038*	.17251	.000	-1.0313-	-.3494-
		employers	-.45552*	.17855	.012	-.8084-	-.1026-
	employers	student	-.23487*	.11068	.036	-.4536-	-.0161-
		lecturer	.45552*	.17855	.012	.1026	.8084
Standard4	student	lecturer	.88205*	.18167	.000	.5230	1.2411
		employers	.14114	.11655	.228	-.0892-	.3715
	lecturer	student	-.88205*	.18167	.000	-1.2411-	-.5230-
		employers	-.74091*	.18803	.000	-1.1125-	-.3693-
	employers	student	-.14114-	.11655	.228	-.3715-	.0892
		lecturer	.74091*	.18803	.000	.3693	1.1125

*. The mean difference is significant at the 0.05 level.

The LSD analysis in the table (6) revealed the mean of student's responses caused differences among means of responses in the second standard (Sig. = .304 for Lecturers and employers). Concerning the third standard, table (6) shows that all means of responses caused differences in that means (Sig. < 0.05 in all groups). Concerning the fourth standard, table (6) shows the means of Lecturer's responses caused differences among means of responses.

Conclusion and Suggestions for Further Research

This study aims to identifying the gap between the accounting education process in Iraq and the international accounting education standards. For this purpose, a questionnaire was distributed to three groups: students, teachers and employers who together form the parties involved in preparing and qualifying graduates of accounting. After the data collection and analysis, there was a gap between the four international accounting education standards and accounting education process in Iraq by 41.68%, 31.302%, 30.908% and 25.296%, respectively. Because the study took the views of the three groups on the same four standards, so it was necessary to know whether there are statistically significant differences between the responses means of these groups. The statistical analysis showed that there were no statistically significant differences between the means for the first standard. As for the second, third, and fourth standards, there were statistically significant differences. The researchers believe that this should not stop when determining the amount of gap, but the areas that caused this gap to be addressed or exceeded should be identified to reduce the gap.

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