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Shifting from Accounting Practitioner to Academia

Tactics, Tips, and Strategies
for the Transition

Sean Stein Smith

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Sean Stein Smith
Department of Economics and Business
Lehman College
Bronx, NY, USA

ISSN 2524-8251 ISSN 2524-826X (electronic)
Palgrave Studies in Accounting and Finance Practice
ISBN 978-3-030-67545-5 ISBN 978-3-030-67546-2 (eBook)
<https://doi.org/10.1007/978-3-030-67546-2>

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This Palgrave Macmillan imprint is published by the registered company Springer Nature Switzerland AG

The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

PREFACE

This book project was a very personal project for me, as it is a topic that I feel is critically important for the continued success for both higher education and the accounting profession at large. It would be difficult to select an industry or sector of the economy that has experienced more dramatic change and disruption than the accounting and broader financial services industry. Since I have had the wonderful opportunity to work in the accounting industry prior to my transition to higher education, I felt that I had a unique perspective to offer on the many issues driving change in these professions. Having had a first-hand experience of how accounting tasks and roles have evolved, even just over the past several years, the importance of having an educational pipeline equipped to address these changes is essential. In my time as a student I had the great privilege of having instructors from every background, and having that diversity of instruction and expertise equipped me to succeed in a rapidly changing workplace. This is something I strive to replicate in my endeavors, both in the classroom and with private sector institutions.

To that end, this text should not be seen as a definitive or authoritative guide for how practitioners can transition to a non-practitioner career path. Put simply, there are just so many different factors that come into play, and such a wealth of options for accounting practitioners to consider, that no single book could possibly address this array of choices. Rather, this book should be taken for exactly what it is; the reflections and observations of an individual who has successfully managed what can

be a fraught decision-making process. Accounting and accounting education might not have been traditionally thought of as a partnership or ideas that go hand-in-hand, but they truly are partners oriented toward the same goal. Educating and preparing the professionals and leaders of tomorrow is an obligation and task that will increasingly require collaboration and cooperation between higher education and the private sector. What this book should illustrate and highlight is just how many different ways these collaborations occur, and some of the ways in which practitioners can access these opportunities. Higher education and accounting are both traditional businesses and sectors that are in the midst of radical changes; this book was written to help educate, empower, and encourage both constituent groups to work together and move forward successfully.

New York, USA

Sean Stein Smith

Acknowledgments This book is dedicated to my family, who always encourage and support all of my endeavors and projects.

INTRODUCTION

Higher education is a dynamic, fast moving, and rapidly changing space of the economy and general conversation. Especially following the Great Recession, the conversation and dynamics around higher education have certainly changed; increasingly people are questioning whether or not there is demonstrative value connected to higher education. In other words, the very same forces that continue to reshape the economy on an almost daily basis are the exact same forces influencing changes in the higher education arena. This may not be the association or message that you have previously connected higher education with, but it is undeniably true; higher education more closely resembles a fast moving economic sector rather than the stodgy ivory tower that might usually come to mind. Although higher education is usually steeped in tradition and has a track record of being slow to change and evolve, assuming that higher education will remain this way represents a partial and incomplete view of the situation. Education is, clearly, at the core of many initiatives and projects that have otherwise been launched and discussed both in the United States and overseas. Cost, course content, or the stratification and bifurcation of income or household wealth that different levels of education can result in, have become hotly contested points of debate across the political spectrum with individuals on both sides staking out strong positions. Within this context, and including the conversation around economic inequality, as well as the renewed debate between supporters

of free market forces and those advocating increased government regulation, is the backdrop against which this book was written. Bringing this conversation back to a more grounded level, this book is also told from a single individual's perspective, complete with all of the anecdotes and hindsight wisdom that provides.

If you had come to me 5 years ago and said I would be a tenure track faculty member at the one of the largest university systems in the world, teaching accounting, that would have seemed to me like a strange or bizarre idea. That said, it is also important to note that my journey is not as unusual or unique as it might seem on the surface. Connecting private industry and corporate employees with the higher education landscape is a trend and topic that has been developing and maturing for many years at this point. Possibly taking the form of adjuncts or contract-based faculty, but usually consisting of individuals that had previously worked in the private sector before retiring, this cross-pollination has occurred consistently for years. What has changed now, however, is the fact that many professionals—including myself—have made the transition from private sector work to academia in the middle of a career. Especially in the business departments and course settings, this is indicative of several large structural shifts that are underway and that are driving change in the marketplace at large.

First, the demands and expectations of higher education continue to change and evolve in response to what the marketplace increasingly expects of higher education. It is simply no longer enough to prepare students from text or other source materials; students, potential future employers, and the institutions at large increasingly expect some real-world applications and examples to be featured as a part of the conversation. Building on this increased need and expectation is also the reality that students are competing in a global marketplace; education and the faculty that provide this education must be equally as well prepared to contend and deal with global trends and market forces. In fact, much like how international work experience is usually seen as a positive in the corporate sector, it is not unreasonable to forecast that this trend will continue and permeate within the higher education space as well.

Globalization, despite the headwinds it faced following the COVID-19 outbreak and subsequent political discourse, is an underlying trend that is here to stay. What this means from the perspective of the higher education can be distilled into several broader trends and directions that will be analyzed within this text. Firstly, technology and digitization will only

become a more inclusive part of the educational process. Pushback aside from M.B.A. and other more costly programs, the potential for remote learning is difficult to understate. Second, this shift and increased usage of technology has the potential to highlight existing inequality and disparities that already exist. Institutions of higher education will need to take care, that as online offerings and other non-traditional programs gain prominence, that all students are able to equally participate. Both of these sub-trends have the potential to revolutionize and transform the higher education from the top down. As with any large-scale disruption and innovation, however, there are going to be winners and losers as a result of these widespread changes and developments. Practitioners, in whatever capacity they enter the academic conversation, have an important role to play as institutions across the board adapt, evolve, and expand to address these multifaceted and far reaching changes.

It is also worth pointing out that the very same trends that are dominating the business landscape and economy at large will also have an impact on the higher education space, including the increasing digitization and automation of many underlying business processes. Compounding and accelerating these trends, as well as recognizing the fact that these forces are not fads but rather represent fundamental changes to the marketplace means that institutions, administrators, and faculty will have to keep pace. This book, written from just one person's perspective, will hopefully shed some light as to how these trends can be addressed, dealt with, and incorporated into course development, faculty development, and student engagement. Higher education continues to change at an accelerating pace, and practitioners that are making the transition to higher education and uniquely well positioned to leverage experience and deliver value across the board. There is a lot to cover in this rapidly evolving arena, and since you are reading this book the idea of making the switch from more of corporate role to one in higher education has, at the very least, crossed your mind.

Let's get to it.

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CHAPTER 1

A Changing Profession

INTRODUCTION

It would be difficult to analyze or present a profession that has experienced more dramatic change during the last several decades than the accounting and broader financial services landscape. The causes of these dramatic changes have not always been generated as a result of positive news or forward-looking changes, but rather a combination of positive and negative headline news. Whether it was the failure of Enron, the global financial crisis, the failures of numerous institutions during the aftermath of the Great Recession, or the still emerging repercussions of the COVID-19 pandemic, it readily became apparent that the current status quo of managing, reporting, and disclosing accounting and other financial information was insufficient. These failures, however shocking and destructive to the economy at large, were merely indicative of several changes and forces that were otherwise driving change and innovation throughout the business landscape. While no listing of business changes or disruptions have the ability to be all inclusive or entirely comprehensive in nature, it does appear that these are definitive forces that professionals and educators need to be aware of.

CHANGES COMING TO THE PROFESSION

First, and something that has occurred outside of the accounting and financial services profession is the development of personalized, customized, and real-time services available to customers. Whether it related to Netflix, Uber, Amazon, Facebook, or other technology organizations, it would seem to be an underlying reality of business that information and data will increasingly drive the decision-making process going forward. Outside of the technology field, however, this is also a trend that continues to manifest itself in the real-time delivery of mobile information, just in time delivery of coupons or other discount information, and the ways in which that services tend to learn and improve the more that they are utilized. Fascinating as this is in its own right, these ideas and trends are the topics that could generate an entirely separate book. Rather, this text attempts to bridge the gap between the current state of accounting and financial information, and where the profession needs to end up. Additionally, and hopefully by sharing some personal anecdotes and pieces of advice, this text will provide practitioners considering a transition to higher education with practical and actionable advice.

This expectation of real-time information connects to the accounting function in a relatively logical and straightforward manner; the current delivery of accounting and financial information is not delivered in a real-time and continuous manner. Periodic reporting and disclosure of information have long been a mainstay of the accounting process, but the expectations of stakeholders continue to evolve and change. Expectations, regardless of what geographic region or industry is in question, continue to shift toward the need for information to be delivered, reported, and analyzed on a real time—or at least continuous—basis. Organizations increasingly leverage tools like artificial intelligence, robotic process automation, machine learning, and deep learning to handle the large amounts of data produced internally. These same tools can, and should be, harnessed and leveraged to assist with the processing of reporting financial information. In addition to reflecting the reality that the accounting data functions and practices should evolve and keep pace with other trends and industry forces, these trends also create opportunities for recently transitioned practitioners.

Second, and even though there are numerous technology tools that can—and are—being leveraged and harnessed with the production and

reporting of real-time information, several fundamental obstacles and challenges remain that may prevent educators and practitioners from fully maximizing the value of these tools. Put simply, there does appear to be a skill, technical, or knowledge gap between what many academics feel comfortable teaching and the skills that students need to succeed going forward. This is not stated to place any blame or fault on any of the associated educators or administrators. Rather, this is stated to acknowledge and articulate the reality that this space—both inside financial services and outside of it—continues to evolve and develop, possibly even already beyond the and scope of what initial organizers and users had planned for. Given this reality, and the fact that new entrants continue to disrupt and generate new applications and use cases, it is not a surprise that many programs find themselves struggling to develop content fast enough to satisfy client and customers. As opposed to viewing this as a challenge, these developments should be viewed as an opportunity moving forward.

Building on this third and final point, however, it is truly important that educators understand how much of these changes and expectations are derived from customer demand and input. At the end of the day, accounting professionals and firms are not hired to provide coding or programming expertise aligned with certain software packages or solutions, but to rather provide business advice and insights to business owners. None of the technology and business changes that will be discussed in this book or in other materials have developed alone or in a vacuum. Rather, these technological changes are an indication and symptom of changing expectations on the side of business owners and clients. To fulfill these expectations, and to meet the needs of clients now and going forward, it is reasonable to expect that education and educators will need to evolve in a similar manner.

Clients, to put it simply, want to have access to data, financials, and financial forecasts as soon as they are produced and updated. Pertaining to this information, and no matter the good the personal relationship between the firm and client is, it is always better to receive the relevant information as soon as possible so it can be the most helpful to the decision-making process. Given the fact that such capabilities do already exist outside of the accounting and financial services space, it is perfectly logical that clients and customers expect a similar experience with their financial data. Meeting the needs of clients and end users is not something that is unique or specialized to the accounting or broader financial services space, but it does represent an area where it is increasingly evident that

the status quo is unsustainable. The sheer volume of information and data that needs to be handled by an organization on a day-to-day basis leads to the following reality. In order for the accounting professionals of the future to be able to meet and even exceed client expectations, said professionals must be able to be conversant and hold productive conversations about these technologies. Taking a step back, a however, and truly understanding the technology itself, this seems like as good time to specific and outline several examples of these emerging technology tools. Prior to some definitions, however, it is even more important to understand the ultimate impact of this increased technology integration. In other words, just understanding the tools themselves is only one part—albeit an important part—of this process

A NEW WAY OF DOING ACCOUNTING

Ultimately the goal of any accounting project, process, or function is to provide consistent, comparable, and timely information to the marketplace, and this holds true no matter what institution of higher education is assessed, what specific topic is being analyzed, or the industry in question. As digitization and automation permeate the broader business landscape, it is critically important that the end result of these technology trends are understood and incorporated into the course offerings. Put simply, the traditional methodology associated with accounting, the periodic reporting and analysis of information, is not enough to keep pace with the production and dissemination of information by organizations. Technology, automation, and the expectation of real-time data available on an on-demand basis are trends that do not seem to be passing fads, but rather seem to represent a fundamental change to how businesses operate as well as how data is processed. Breaking down the current fields of specialization in accounting, the three primary areas of expertise—tax, audit, and advisory—seem equally well positioned to experience dramatic changes and shifts in both how work is accomplished and the skills that employers will require of new hires. Taking a look into some of the specific changes, it quickly becomes evident just how much the profession will evolve, and how dramatic the education of future professionals will need to evolve.

First and foremost, there is increasingly an expectation that information and data will need to be available on a continuous basis, but at the same time that information will need to be secured and protected as well. In other words, even as the marketplace increasingly expects information

to be available on an as-needed basis, the level of data integrity and security must also be maintained. The current state of the profession, even equipped with current levels of technological automation and integration, does not seem well positioned to fulfill these expectations. Educators and institutions of higher education are in a unique position to not only fulfill the needs of the current marketplace, but can also play a dominant role in the development of the accounting profession in the future.

Second, the very business model of higher education seems to be impacted by this shift toward a digital first or digital only business environment. Online courses, digital education, and virtual learning have long been mainstays of the education space, but this trend and shifting dynamic is not one that appears to be a fad. Rather, the pivot and reallocation of resources toward virtual learning, digital resource, and a remote-based learning experience seem to be indicative of a fundamental shift in how education is provided, how information is consumed, and the process by which associated credentials are verified and confirmed. As ever-increasing amounts of education, and the associated personally identified information, are stored and transferred in a digital-only manner, the practitioners of the future will need to be prepared. This entails two distinct, yet equally important facets. Practitioners will need to not only understand the emerging technologies from an end-user perspective, but also be able to understand and articulate just how these new technologies will influence the audit and attestation processes.

Last but not least, the very nature of education looks positioned to change. Specifically, the trend in education seems to be taking the form of continuous learning rather than a one-and-done event. Whether this takes the form of certificates, continuing education programs, or other types of continuous learning and education, the underlying trend is clear. Educators and the institutions involved in the educational process will need to round out and augment current offerings and programs in order to keep pace with market demand. In other words, the very nature of how education is thought of, marketed, and refined going forward is going to need to evolve as a direct result of these emerging technology trends. While not every class, course, or program will need to focus on emerging technology tools or trends, it is reasonable to expect that these topics will need to be integrated in an ever-increasing number of educational offerings. Having that context in mind, it seems a good time to take a look at some of these technology trends themselves.

BIG PICTURE TECHNOLOGY TRENDS

It is true that technology integration and technological developments are nothing new to the accounting and financial services space, but it could be argued that the sheer pace of change and development has accelerated rapidly. Accounting professionals, and the educators tasked with preparing the next generation of professionals and practitioners, have long made the integration and adoption of new technology tools and applications a mainstay of the profession. Different technological advancements, including the computer, tablet, Internet, smart devices, and iterations of accounting software, have allowed the increased automation of accounting functions. Such automation and the integration of technology into accounting and financial services functionality allows practitioners to be freed up to focus on higher margin and higher value services.

This exact same integration and freeing up of resources, however, also presents a fundamental change to virtually every aspect of accounting, financial services, and financial reporting. It is true that technology represents automation and the ability to redirect or reallocate resources to higher margin and more accounting focused activities, but also can lead to several large-scale changes. First and perhaps most importantly is the reality that as accounting practitioners and accounting firms are able to engage in new and different services there might be numerous conflicts of interest that will arise. This can manifest itself in a manner of ways, but perhaps the most obvious is the fact that as accounting professionals enter into new service areas the independence and objectivity so prized by external end users may end up being potentially compromised. Whether or not the independence of the accounting and financial profession is actually impacted or not, even the hinting at, or possibility of, reduced independence could wreak havoc in the profession for years to come. This is a topic that will be revisited throughout this book, as it is something that needs to be incorporated into curriculum development as the profession and educational content evolves.

Secondly the increased technological integration among a range of organizations—accounting focused or not—means that not every organization is going to be as interested in traditional accounting services. For every opportunity that technology creates, it is also worth noting that there are going to be instances and situations where some roles are not

as necessary. Blockchain, robotic process automation, and artificial intelligence may be the buzz words and hot topics of the moment, but those are symptomatic of the changes in the profession rather than a cause itself. In any event, and regardless of personal opinion or perspective, technology and technological services are going to play an ever larger role in the education of future professionals as well as the tasks performed by those currently in the workforce.

Blockchain—all that blockchain represents is a decentralized and distributed manner by which network members can share data and other information between each other in an encrypted manner on a continuous basis, and to so in a manner that is nearly immutable. There are many different iterations of blockchain that currently exist in the marketplace, and these different options can sometimes prove less helpful than one may have initially thought. As the ecosystem around blockchain continues to mature and evolve, there does seem to be one truth that remains unassailable. Although not an accounting system at the core of the idea, blockchain is well situated to revolutionize how accounting information and processes are handled both now and going forward.

Robotic process automation—while many organizations, led by management teams that have seen the potential of artificial intelligence represented in movies and other forms of media, might want to skip ahead to a full-blown artificial intelligence implementation, the reality on the ground is far different. Due to a lack of appropriate controls or workflow management issues, the only end result of comprehensive automation projects is oftentimes larger quantities of mismanaged, inaccurate, or incomplete information. Robotic process automation, framed in that context, can best be thought of as a halfway point between current automation levels and a full-blown implementation of artificial intelligence. In other words, robotic process automation—which can assist in both accounting and non-accounting functions—enables existing and new technologies to improve the efficiency of existing processes and operations.

Artificial intelligence—an umbrella term used to outline and define a category of information technology tools that can either augment or render obsolete the need for human oversight and interactions throughout specific processes. Specifically, and pertinent to any educational conversation on the matter, is the differentiation between the various forms and types of artificial intelligence. For an accounting program, department, or school, it might make more sense to emphasize

certain types of artificial intelligence over others. A term that is bantered around quite a bit in both the practitioner and academic press and media, artificial intelligence does seem to represent a trend and force to be reckoned with in terms of its eventual impact on both the profession and business at large. The accounting professionals of the future must be able to work with, train, and understand just how AI templates and platforms function, as well as how they change the workload of the profession.

Cryptocurrencies—perhaps the most well-known application and use case for blockchain technologies, most cryptocurrencies are not FDIC insured. Even though a certain emerging class of cryptocurrencies—stablecoins—represents financial products that are advertised as a method to reduce price volatility, much remains uncertain about these assets. Specifically, from an accounting, taxation, and disclosure perspective there are numerous questions and considerations that still need to be addressed and resolved before said assets can scale to a mainstream level. This ambiguity, although frustrating for some practitioners, also creates an opportunity for those same practitioners to play a definitive role in shaping the conversation.

Automation—although this is perhaps the most discussed and analyzed topic in the financial services space during the last several years, a large amount of work remains until these automation tools are well prepared for mass introduction. Not a new concept by any means, the trends and forces that have driven automation forward, however, have continued to accelerate as the cost of producing, using, and upgrading these automation packages have continued to drop. Whether to do with sourcing lower-cost materials, operational efficiency gains, or simply the compounding of Moore’s law over time, automation is the underlying force behind many process improvement initiatives and projects at organizations.

Cloud—the idea of working in the cloud does not seem like a radical or innovative concept, but it truly does change how the data that is so critical to accounting and financial services is processed, treated, and handled by both accounting and other financial professionals. Taking this into account, and realizing the fact that many firms have already migrated to the cloud, it is also important to recognize the fact that the movement into the cloud does not eliminate data custody or cybersecurity risk. Conversely, the very shift to the cloud that—on paper at least—reduces or helps eliminate cybersecurity risk—may actually end up amplifying these risks.

Specific technologies will surely change and evolve over time, and these specific tools and terminologies that are currently dominating the accounting and educational conversation will in no way resemble the disruptive technologies that will eventually drive change in the higher education field. The specific tools themselves, framed in that light, do not matter as much as the willingness to understand both what the tools are, and the impact that these tools have on the conversation. Accounting professionals might be in the midst of a disruptive period of change currently, but these changes and associated ripple effects have long been occurring in different areas of the economy. Aside from any specific tool, however, there is also an underlying trend that continues to create challenges and opportunities across different economic sectors; the increasing digitization and automation that often accompanies increased technological adoption.

CONNECTING TO HIGHER EDUCATION

Adapting to a continuously changing landscape might not be the first thing that comes to mind when higher education is discussed, and that is because for a long time not much has changed. The model of instruction, with an expert lecturing to a hall or classroom of students absorbing information, has not changed. A scene can be cut from any film or TV show depicting classroom instruction, and different fashion styles or technology tools notwithstanding, it would be difficult to determine which scene was from which era or time period. This model of instruction and classroom engagement has remained unchanged and that is for a good reason; students are there to learn and acquire knowledge from someone who possesses said knowledge and expertise. Despite the putting forward of alternative models, including but not limited to the concept of a flipped classroom, this traditional model has for the most part remained unaltered. Simply put, and despite the efforts of some educators to change the conversation, it remains a challenge to have a student-led instructional conversation on a widespread or systemic basis.

Many ideas have been put forward, headlined by the idea of a flipped classroom or some other sort of student-led engagement and instruction. In theory, a flipped classroom results in the students leading the conversation and classroom discourse, with the instructor serving a role more akin to facilitator or subject matter expert to answer specific questions. In most cases, however, students are enrolled in a specific course because

they wish to learn more about specific technologies, subject matter areas, or other forms of information from a subject matter expert; the instructor. Even if students are able to allocate time to pre-read and pre-prepare the materials necessary for the class itself, the ability of them to do so in a manner that will help lead to productive and meaningful conversations is most going to be hampered by a lack of understanding of the content itself.

Clearly, there are some course and areas where a more prominent role for students makes more sense such as master's level or doctoral level classes, but for the majority of college classes and instructional cases that just will not make sense. Technology is enabling this desire, to transform education from more of a lecture to something closer to a conversation, by enabling students to review materials before class, engage and interact with the material in a number of different ways, and leverage other non-textbook resources to assist with greater understanding and reading comprehension. Now this is by no means a guaranteed tactic or way to increase student engagement, but this greater digitization of educational resources means that it is more possible than before to drive change in how materials are covered in a number of different courses. That is not to say that every class should be focused on integrating blockchain and other emerging technology tools, but that these topics and tools should be part of the conversation. Not only should these tools and technology platforms be identified, but if possible, these tools should also be integrated into the course itself.

This is also an opportunity for practitioners that are making the transition from industry or public accounting to higher education; higher education is a business and is increasingly assessed as such. Bringing in some of the financial discipline and analytical rigor that is associated with private enterprise to academia is not only something that should be encouraged, but is increasingly something that will become mandatory over time. Disruptive innovation has come to virtually every industry sector in the world, and it would be illogical to assume that higher education and academia will be exempt from these trends. Education is no longer in the ivory tower and must become more integrated to the needs and realities on the ground in terms of what employers are expecting, as well as what employees are expected to be aware of. Technology might be the headline news story at this time, but as opposed to being the singular driving force, it should be thought of as a symptom of much larger trends and changes. One of the most obvious and high-profile symbols of this

large change and shift is the increased integration of technology into virtually every subset of accounting and financial services.

THE INTERSECTION OF IT & FINANCIAL SERVICES

Whatever specific technology application is presented or analyzed the point in the same; technology and technology tools lie at the center of the future of financial services. Students, both current and future, will need to be familiar with and able to understand how the tools that are entering the marketplace will be adopted and utilized by various organizations the world over. This technology trend means, in essence, that the current topics and themes covered in accounting and other finance courses will be insufficient going forward. In addition to the increased training, hiring, and integrating of established faculty members with expertise in these areas, this increasing integration also represents a potential opportunity for practitioners to play a leading role.

Technology forces and trends, from the iPhone mobile applications, tend to be adopted and implemented first in the private sector before permeating other areas of the economy. While it is true that many initially disruptive technologies, including the leading role that DARPA played in the development of the Internet, were supported and led by the government, the playing field seems to have tilted increasingly toward the private sector in recent years. Bringing the hands-on experience that practitioners have with both emerging technologies and procedures is an invaluable aspect that hiring professionals that aspire to educational roles can bring to the table.

These technology forces and the disruptions that they are continuing to generate represent both an opportunity and a challenge for the profession. On the one hand, there does not seem to be a large enough pool or talent and intellectual capital currently available to handle the influx of data, information, and workflow changes generated by these technology shifts. Such a shortage is caused, at least in part by, the lack of educational expertise in the higher education arena. Put simply, many faculty have been out of school, and at least partially out of the skill acquisition mode, for several years. This is absolutely not the fault of anyone involved, but does create an opportunity for practitioners to both create value for institutions of higher education and have a fulfilling career pivot and shift and virtually any point in a career.

One of the most commonly cited issues in higher education is that there does appear to be an imbalance between the number of college students and the number of trained and able faculty to educate. Especially when analyzed at a national level, and not just the most top tier institutions, this gap only seems to grow larger. Due to any number of factors, including demographics, comparative pay scales, and the robust job market for accounting professionals outside of higher education, an educator shortage has been a problem that has been discussed for years. Across the spectrum, and in both the higher education as well as the practitioner space, programs and scholarships have been launched to help plug this marketplace gap. The specifics of these different initiatives and efforts differ, but the underlying goal is the same; to try and entice current students or current professionals to transition to academia. Whether or not these programs ultimately succeed is a subject for a different book; the purpose of this text is to help explain that a solution to this shortage already exists.

Higher education, particularly education affiliated with accounting and other financial services professionals, does not merely consist of learning and practicing technical skills and concepts. In addition to these skills and knowledge, students must also learn how to professionally interact with clients, solve complex problems, and be able to contend with an ambiguous business landscape. These are the traits, be they referred to as leadership or soft skills, that can often play a differentiating role in the career of a professional. Individuals who have either recently left practice, or are still employed in practice to a certain extent, possess not only these skills but the ability to convey this information. Technical skills and concepts may change, and these are also concepts that practitioners can convey, but the value and benefits a practitioner can provide extend far beyond merely providing FASB updates. Technology, leadership, and the ability to work with others are facts of professional life that (1) students need to be made aware of, and that (2) practitioner individuals will be able to provide them in the classroom.

There is a famous graph depicting the rate of change that is currently underway in the marketplace versus the pace that humans can deal with change, and the illustrating is shocking. Widely cited and discussed, the primary takeaway is that as different technology tools and directions continue to accelerate in terms of adoption, the ability of people to adapt does not accelerate at the same rate. To put it simply, the pace of technological change is already outstripping the ability of humans to contend

and grapple with the range of change disrupting the business landscape at large. Change is obviously a core component of any business and economic landscape, but the pace of change currently underway in the accounting and financial services landscape is reflected in how quickly and completely higher education continues to change and evolve. Discussed throughout this book, the same trends that are buffeting accounting professionals and practitioners, including automation, digitization, artificial intelligence, robotic process automation, and the array of blockchain applications, are simultaneously driving change in virtually every aspect of the business landscape. But so what, some might say, higher education is not a traditional business in the sense that institutions are not judged in terms of profit and loss, nor cash flows, nor the rate of dividend increases that are delivered to the marketplace.

That view, however comforting and reassuring, only presents a partial and incomplete view of just what higher education represents in the current economic landscape and marketplace. Higher education, in all of its various formats and iterations, represents a multi-hundred billion industry in the United States alone, and on a global scale is a trillion-dollar enterprise. In addition to the sheer sums of capital that are allocated, invested, and utilized in this space, there is also the implications that higher education has for many students; a pathway and guide path to a more successful future. Framed in that context, it becomes clearer as to just how these emerging technology themes and tools are connected no matter if accounting or higher education is being examined. As these connections become clearer, however, it is also important to recognize the reality what these connections mean for the future higher education and the practitioners employed therein.

Something else that should be kept in mind and on the front burner is the fact that many of the same tools that drive efficiency and cost savings in the private sector and/or are creations of the private sector should also be leveraged in the educational space. In addition to discussing and instructing students about these different technology tools, applications, and platforms, it is also important to take advantage of emerging technologies to drive change within the institution itself. An expanded conversation around disruptive innovation and innovation at large will be conducted toward the end of this chapter, but it stands to reason that if emerging technologies are being covered in the classroom that they will also be implemented at the institution at large.

THE PROFESSION OF THE FUTURE

At the risk of stating a potentially controversial fact, the primary reason why many individuals embark on a higher education journey is to become equipped with the necessary skills and information to obtain jobs and positions, both now and in the future. Education is seemingly facing something of an existential crisis. On the one side are proponents of a more traditional educational outlook and mindset, which is focused on a liberal arts education instead of specific technical skills. There is certainly some merit to this position, as colleges and universities should be focused educating the whole students versus simply preparing students to obtain some specific types of jobs. Trade schools, vocational options, and other educational choices have an important role to play—some would argue an even more important role going forward—but should not entirely replace the traditional liberal arts model.

On the other hand, and especially in nations where the cost of college is becoming a hotly contested economic and political issue, colleges and universities cannot ignore the reality that students (and parents) expect an education to also lead to a position and even career. This blending of more traditional education with more job or career-focused tracks and options is both a challenge for educators and institutions, and an opportunity for practitioners migrating into higher education. The simple reality on the ground is that employers are not always entirely satisfied with the skills and preparation that students enter the workplace possessing. In order to remain competitive and viable moving forward, institutions will need to work with, learn from, and leverage the insights that former market participants can bring to the table.

A WORD ABOUT DISRUPTION

When the concept or idea of disruptive innovation is brought up, or blue ocean strategy, or any of the other numerous strategic planning terms there may be some combination or eye-rolling, questioning, and skepticism. This is not entirely unfounded; there are innumerable jokes about buzzwords, catch phrases, and other business terms and jargon that have become so commonplace and routine that they have become cliché. Jokes aside, however, the accounting profession is well situated for a bout of disruptive innovation and dramatic change, even if some members of the

profession have yet to realize the fact that this trend will cut across all sectors and areas.

Taking a higher-level perspective for a moment, the idea of disruptive innovation and disruptive change leading to massive change in the accounting profession should not be viewed as a surprise, but rather an inevitable step in the evolution of the profession. By reviewing an accounting textbook—for any level of instruction—it rapidly becomes clear how repetitive and consistent certain processes, tasks, and accounting operations actually are. Account reconciliations, bank reconciliations, audit confirmations, tax filings, and even an array of advisory service offerings (technology implementation and planning, for example) consist of nearly identical steps. It should come as no surprise, in that case, that product and technology experts continue to make investments and inroads into the accounting profession.

On top of the repetitive and periodic nature of many accounting, taxation, and reporting functions it is also important to point out that for many years the accounting profession has had a relatively unchallenged position in terms of accounting, taxation, and financial reporting work. With this established reputation and market position, there was also a relatively easy byproduct of this dominance; pricing power and pricing leadership. One merely to analyze the margins of various accounting and business services, and acknowledging that some of them such as audits are loss leaders, to see how this manifests itself.

The end result of these two forces—the repetitive nature of accounting and business tasks and healthy profit margins associated with them—is that the accounting and financial services industry is ripe for disruption. While this might initially seem like an abstract or radical idea the reality on the ground is not nearly as radical as it might appear at first. Automation and digitization of current accounting and financial services practices and routines have been happening for decades. Even seemingly ubiquitous tools and products such as online trading, mobile apps, and accounting software are a direct result of these dual forces; an attractive marketplace indeed.

Forces such as these have been ignored nor have they gone unnoticed by other non-accounting or technical organizations. An attractive industry with healthy profit margins and limited competition for clients and customers has led to a bevy of new entrants entering the space. Whether it takes the form of trading platforms based entirely online and