

Accounting Alumni Success Factors Project

Kaitlyn Braica Supervising Professor: Dr. Aleksandra Zimmerman



FLORIDA STATE UNIVERSITY
COLLEGE OF BUSINESS

Abstract

The Alumni Success Factors Research Project is designed to give FSU's College of Business the crucial information they need so that they can better support the success of their accounting graduates. An archival study was conducted, where each former accounting student from FSU -graduate or undergraduate- was researched on Linked-in and other social media platforms, and data about their race, gender, employment history, further education, awards, and extracurricular activities were compiled into a spreadsheet. The second form of data collection was a qualtrics survey, which was emailed to every known accounting graduate, dating back to 1975. Both sets of data were used to conduct regression analysis and t-tests in order to identify which aspects of a resume correlate with high salaries and promotions to titles of CFO or Partner. There were many findings, the most notable being that there was not statistically significant evidence that FSU's accounting graduates have been impeded by gender discrimination in the workplace. Using these conclusions, FSU's Accounting program is able to identify systematic issues their graduates face and focus on developing opportunities for students that correlate directly with success in their careers.

Introduction

Florida State University's Accounting Success Factors Project is designed to collect data and provide statistics on the success rates of accounting graduates from FSU's School of Business. These statistics help Florida State University improve its accounting program so that students can be successful in their careers in terms of promotions and salaries. Our secondary goal with this data analysis was to determine if FSU accounting students have faced gender or race discrimination in the workplace.

The Accounting Success Factors Project varies from other research in the accounting field by strictly examining accounting graduates from a singular school dating back to the class of 1975. This project draws from pre-existing research on possible indicators of success in the accounting field. A study published by the American Accounting Association, From Student to Accounting Professional: A Longitudinal Study of the Filtering Process concluded that there is a disproportionate popularity of sensing and feeling Myer Briggs personality types who maintain employment in the accounting field. Furthermore, a study named, Margin of safety: Life History strategies and the effects of socioeconomic status on self-selection into accounting, examines the motivations for students to pursue a career in accounting. It was discovered that individuals of a lower socioeconomic status chose to pursue accounting at a higher rate than students of other socioeconomic backgrounds. The last source, Job Satisfaction and Life Satisfaction of Accountancy Graduates over 50 years, compared the job satisfaction rates between male and female accountants over time and found that women's job satisfaction typically increases with additional graduate degrees, while men's job satisfaction increases with tenure and salary increases.

FSU's Accounting Success Factors Project differs from previous research because it has a wider scope of data collection that includes job positions, extracurricular activities, work experience, alternative work arrangements, gender, race, graduate degrees earned, schools attended, and more. This data is then cross referenced with self reported salaries and job titles, which were used as a measure of success in the accounting field. Success is defined as having a high paying salary or reaching the promotional title of Chief Financial Officer or Partner. Using regression analysis, it can be determined if any of these factors have a significant correlation with an accounting graduate achieving career success. The findings of this study help identify the most useful experiences that directly correlate with a successful, long-term career in accounting.

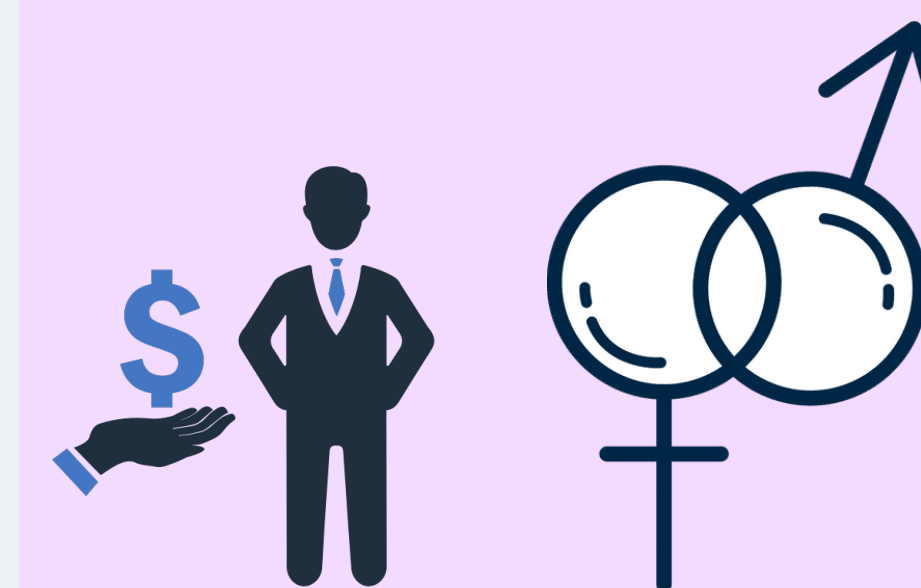
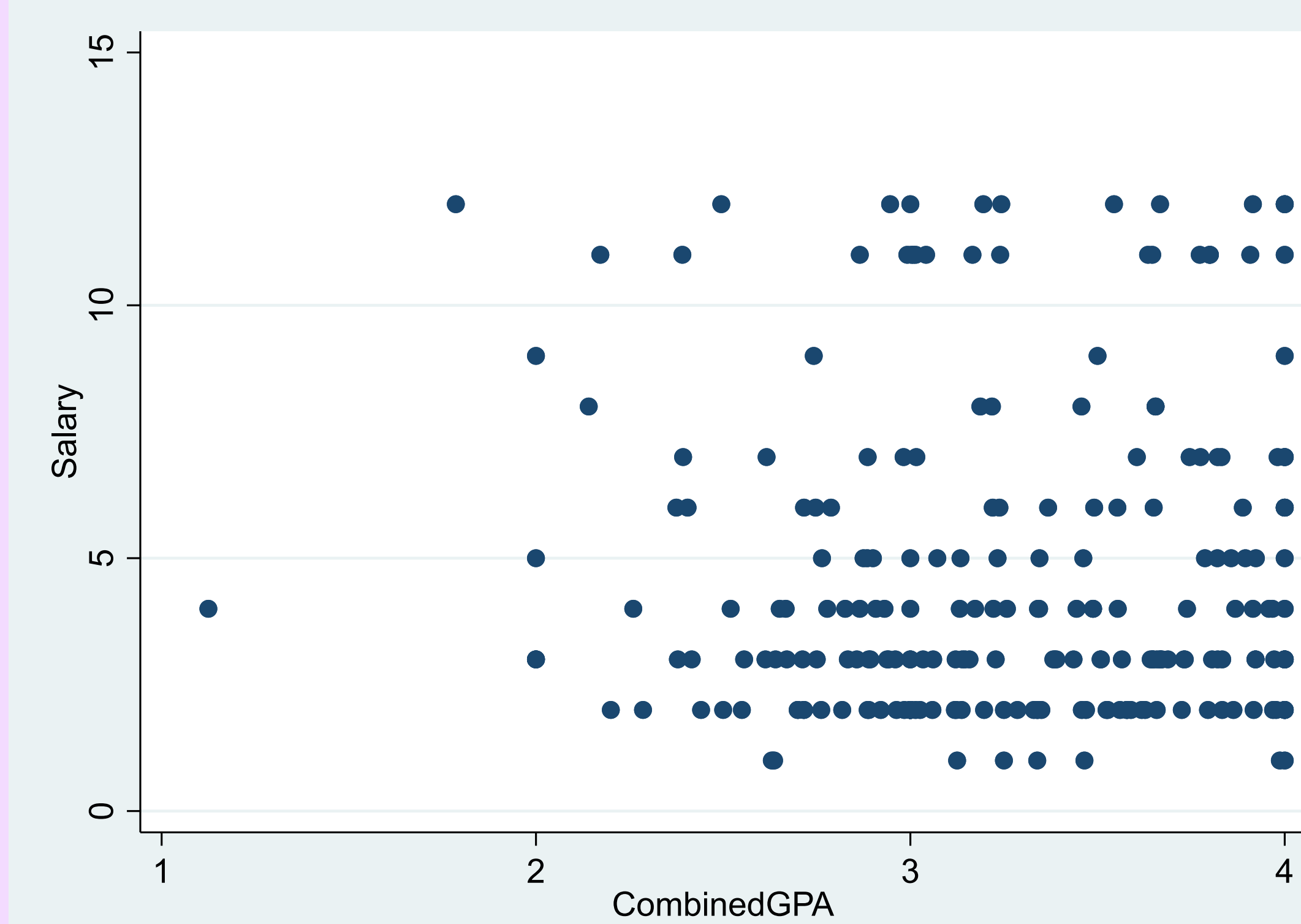
Acknowledgements

Allen Blay, Monica Causholli, Hye (Grace) Lee
Alexandra Epelbaum, Christina Davis, Libby Feguson, Maiqi Zhang, and Paulina Adkins

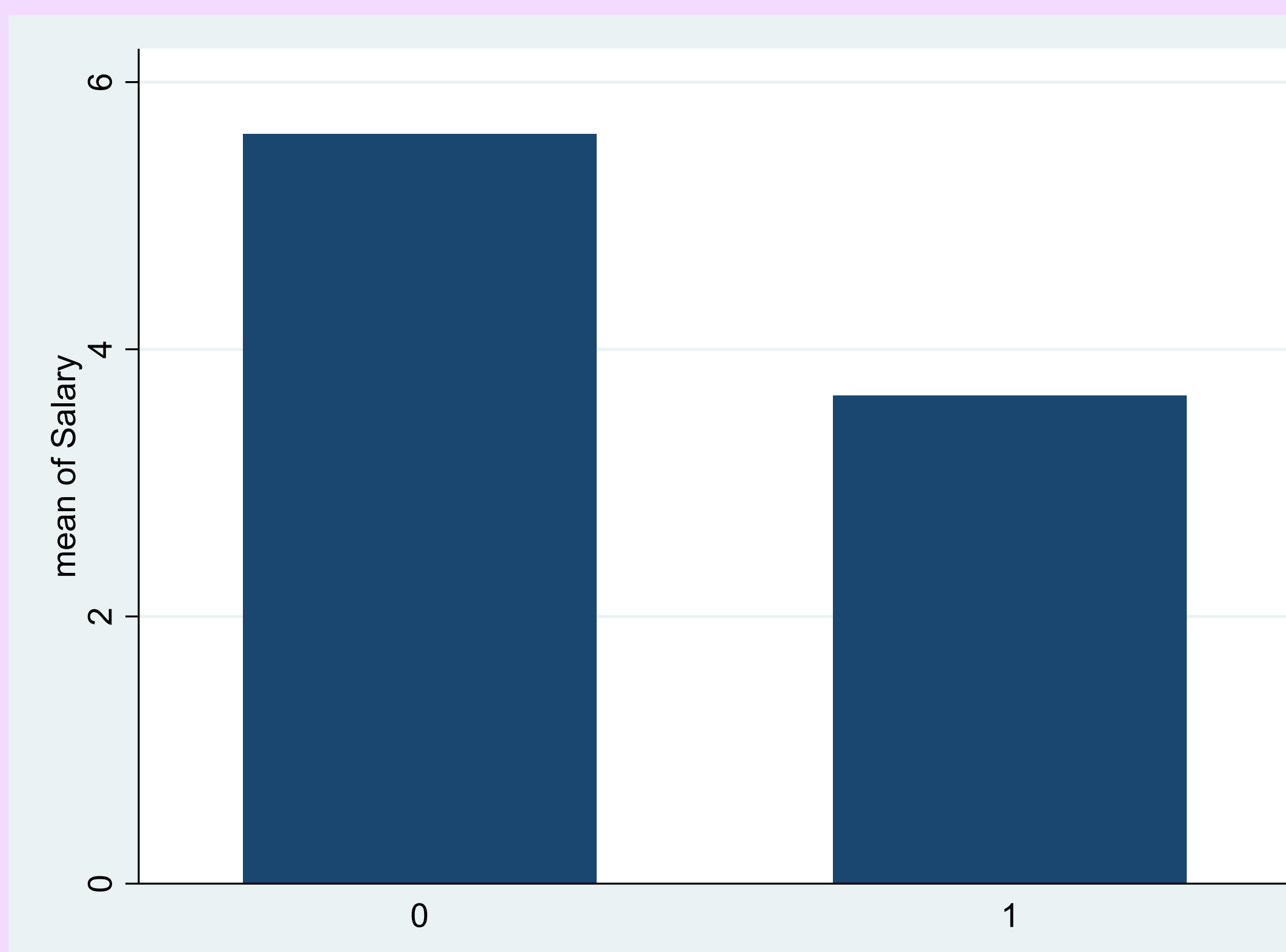
Methods

To conduct this study, we used a social media platform called Linked-In alongside internet searches to find information on every accounting major and masters graduate from FSU dating back to the class of 1975. Data regarding the graduates' race, gender, job positions, education, awards, and curricular activities were compiled into a spreadsheet. In addition to the data collected by researchers, a survey was also emailed to the same graduates. This survey collected graduates' answers to questions about the number of job positions they've held, income they earned, international and corporate work experiences, alternative work arrangements, number of children, marital status, instances of discrimination they faced, career aspirations, years spent in public or private accounting, and reasons for leaving job positions. These data entries were then cleaned and coded into numerical data so that a software system called stata was able to run statistical tests and regression analysis. The results of our OLS and logistic regression analysis provided us with summary statistics and correlation values so that we were able to discern which aspects of a graduate's resume indicate a strong likelihood of being promoted to the positions of partner or CFO and earning a high salary. In this study, reaching the promotional title of partner or CFO as well as earning a high salary were used as markers of success for our accounting graduates.

Graphs



This scatterplot depicts the relationship between cumulative college GPAs and current salary earned by accounting graduates.



This bar graph depicts the average salaries earned by male accounting graduates and female accounting graduates. The column labelled 0 on the x-axis represents men while the column labelled 1 represents women. The brackets 2, 4, and 6 represent the respective wage brackets \$50,000-\$100,000, \$150,000-\$200,000, and \$250,000-\$300,000

Results

Our results produced many findings using a sample of the 267 accounting alumni who responded to our survey. The average amount of work experience amongst our sample was 22.7 years, and 71.4% of these graduates have earned their CPA licenses. Approximately 11.6% of our sample achieved the title of partner, while 14.2% achieved the title of chief financial officer, meaning a total of 25.8% of our sample are considered to be successful, given their titles. The average salary of our sample size was in the range of \$200,000 to \$250,000. Additionally, 42.7% of our sample reported taking advantage of some form of an alternative work arrangement during their careers. Our regression analysis' most notable finding was that female accounting graduates earn statistically less than their male counterparts with a p-value of 0.25.

In accordance with our hypothesis, our regression analysis also shows that spending more time working in public accounting has a positive correlation with achieving the promotional title of partner with a p-value of .015. Our regression analysis further shows that a graduate's experience working outside of public accounting has a positive correlation with achieving the promotional title of CFO with a p-value of 0.006. Surprisingly, college GPAs were found to have no significant correlation with earning the title of partner, CFO, or a higher salary, and a higher salary was found to be positively correlated with having more children with a p-value of 0.626. Interestingly, working with a mentor makes graduates less likely to achieve the title of CFO with a p-value of 0.095, and holding a college leadership position also has a negative correlation with achieving the title of CFO with a p-value of 0.111.

Conclusion

The size of our sample limited the kinds of analysis we were able to conduct. Our sample size was too small to produce sound statistics on whether our accounting alumni have faced racial discrimination in the workplace, however our analysis did find statistically significant evidence of racial discrimination. Our regression analysis also proved that women accountants receive lower salaries on average than their male counterparts. Our final finding was that college GPA is not a predictor of salary.

References

Jones, A., & Iyer, V. M. (2020). Who aspires to be a partner in a public accounting firm? A study of individual characteristics and gender differences. *Accounting Horizons*, 34(3), 129-151.

Leiby, J., & Madsen, P. E. (2017). Margin of safety: Life history strategies and the effects of socioeconomic status on self-selection into accounting. *Accounting, Organizations and Society*, 60, 21-36.

Swain, M. R., & Olsen, K. J. (2012). From student to accounting professional: A longitudinal study of the filtering process. *Issues in Accounting Education*, 27(1), 17-52.