

# Developments in Business Simulation & Experiential Exercises, Volume 8, 1981

## GIVING ACCOUNTING STUDENTS WRITING EXPERIENCE AS JOB PREPARATION

Gretchen N. Vik, San Diego State University

### ABSTRACT

Most business majors are required to take a written communication course covering memos, letters, and long reports. The current level of student writing skills is low enough that the one semester course can usually do no more than give an overview of business writing style and forms, so advanced courses are frequently offered. One such advanced course is Report Writing for Accountants, which is now required by a number of AACSB accounting schools.

Because writing competence is required on the job, schools training accountants have begun requiring extra training in writing skills. As the designer of a new accounting writing course, I will describe the ways in which the writing assignments prepare students for the actual writing experiences they will meet on the job. Because the class writing assignments are actual accounting firm cases and formats, they exemplify a new area of experiential learning.

### INTRODUCTION

Like engineering students, accounting students often choose their major because they are "good in math, and it's a common misconception that these careers require mainly quantitative skills. On the contrary, many professional engineers and accountants find themselves needing solid writing and speaking skills to succeed at their chosen jobs. One survey, for example, found that all types of accountants spend at least 25% of their time writing and 10% communicating orally. (They spend 30% of their time figuring and doing statements.)

Since only a relatively small number of our 1500 accounting majors can receive on-the-job training through the Internship program<sup>2</sup>, the required accounting course has been designed to give writing experiences as close to those in actual firm practice as possible. Local firms and big eight branches were polled to get examples, cases, and speakers for the class.

### PUTTING EXPERIENCE INTO THE CLASSROOM

#### Writing Formats

Students majoring in accounting may go into public or private accounting, may work for very small to quite large firms, may work for corporations, private individuals, or the government, and do somewhat different writing depending on their jobs. Since a writing course can't be slanted toward any one later job, we teach the most common formats and discuss the writing that can be expected in different jobs.

Students become familiar with engagement letters, internal control letters, both internal and external memos, management advisory services documents, footnotes, and the nonstandard parts of audit opinions.

These specialized forms are familiar to practicing accountants, who need to be able to write quickly and clearly to organize and explain a large body of financial information. One important reason for training accountants

in writing is so they can deal with this heavy paperwork load as efficiently as possible. The actual writing formats and the editing skills required are not difficult, but students need to become more fluent writers so that writing seems a less onerous task.

#### Accounting Firm Practice

Junior level accountants write up workpapers, audit findings, and results of test work. This level of writing is checked and edited by at least three people in the larger firms, as it's more cost effective to have the least expensive employees write original drafts and then have senior accountants and partners edit for accuracy, clarity, and adherence to firm style.

The firms I have polled indicate that students will benefit from writing practice in accounting for two main reasons:

- New employees are judged for promotion primarily on their communication skills, as their writing and oral reports create a first impression of their work. Even seemingly minor problems like spelling can affect the psychological evaluation of a person's accounting skills.
- Most accounting information has to be conveyed in a written report to the client (even if it will also be presented orally to some firm employees and officers) and must therefore be clear and accurate. Communication problems are as often caused by writing style as by mistakes in grammar and mechanics or by problems in the quantitative material.

Although some firms (particularly the larger ones) have a program of writing training for employees, most practicing accountants agree that students should get all the structured writing experiences they can. Since the formats of accounting writing are unique to the profession, it's possible to give students a close equivalent to actual firm practice within the classroom.

#### Speakers and Examples

The semester course schedule is arranged so that the accounting writing course meets at an hour in the late morning when no other accounting classes are scheduled. This is also a good time for outside speakers to get away from their businesses, if given enough notice. I schedule speakers from various types of accounting firms to give students a range of experience and discussion. Speakers bring examples of the kinds of writing their firms do (with names blind if necessary) and are eager to impress students the importance of and the quantity of writing they will do on the job. Quantitative skills are not enough.

Speakers can bring specific information on firm practice, as the following range of examples shows:

- A partner spends only 10% of his/her time auditing, and 90% on the phone, giving oral presentations, administering, etc.

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--A firm spent considerable time discussing with client employees whether to use the words "not recorded" or "not recognized" in a written audit finding report to management.

--A large firm has stopped using sample paragraphs on common audit problem areas because clients thought the reports were canned and ignored the advice and recommendations as a result.

--Technical memos on how FASB, SAS, etc. rulings apply to firm or client practice are the hardest to write because the writer has to persuade the reader toward a certain point of view.

--Footnote writing is an art, and it takes 12 years or so to get good at it. Technical financial information has to be distilled into a short note which is clear and accurate as well as concise.

--Public accounting is a business, and members of the firm have to get themselves to clients to get customers.

In addition, speakers bring actual letters, memos, and technical reports so that students can see what their writing experience in a firm will be like. This use of actual examples is unusual in business writing classes, where textbooks often cannot be kept up-to-date because of the wide variety of types of writing covered.

### Editing Practice

To familiarize students with the experience of accounting writing before they actually begin researching cases and problems, they are asked to edit examples of the various formats.

The editing that students do throughout the semester is on their own work, work of their peers, and on (most importantly) real-life accounting writing examples I've collected from working accountants in various fields. It's fairly easy for students to see that almost any piece of writing can be edited to be clearer, less wordy, to have better tone, and to be easier to read. Since we can't place all students in actual jobs so they can practice the writing on the job, these examples give students a good idea of what their colleagues will write like and what kinds of writing they will be expected to do.

### SAMPLE CASES

The cases used for writing practice replicate firm problems received from their clients. Most involve short research questions on such subjects as tax details, IRS requirements, audit questions, contract requirements, and so on.

Sample cases will be available at the ABSEL meeting in Orlando, as some of the firms involved prefer that they not be published.