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ABSTRACT

This paper describes the use of accounting students who, in collaboration with students from a different discipline, provide financial consulting for a project requiring the development and sales of a product. For the project, auditing students provide information about budgeting and the structure of financial statements. The unstructured nature of the project requires the accounting students to develop problem solving skills. The accounting students also improve their communication skills through both a written report and an oral presentation

The pace of change in accounting education is accelerating. Accounting firms and industry have clearly demanded that accounting programs stimulate students to think more and memorize less, as well as enrich the student with more practical experiences. Faced with these demands accounting educators are changing both the content and delivery of the accounting curriculum. This article describes one of the activities used by the accounting department of North Carolina A & T State University (NCA&T). Funded by a grant from the Accounting Education Change Commission (AECC), our project focused on developing methods to enhance essential skills needed by accounting graduates, including communication skills, problem solving abilities, and interpersonal and leadership skills.

To meet the project's goals and to increase our students' knowledge of the profession, we developed a joint activity with the Manufacturing Planning and Management (MPM) class within the Department of Manufacturing Systems in the School of Technology. We have found this activity enlivens the classroom experience while meeting the needs of the changing environment.

The MPM students raise capital and establish a company. The company selects a product to either manufacture or contract out. Among the products that have been sold are playing cards, windshield sunscreens, boxer shorts, and discount cards, all bearing the university's logo. Following the completion of marketing activities, profits or losses are distributed and the company is dissolved. The MPM students' lack of financial knowledge creates an opportunity for our auditing students to provide consulting services. Auditing students are assigned to one of eight groups to work with the MPM students at various times during the semester. Groups provide guidance to the MPM students in the following eight areas: facilitation and coordination of group activities, brainstorming about prudent selection and marketing, formation and organization of the

company, accounting system, internal control system, budgeting and price-setting, company analysis, and financial statements and liquidation.

In creating groups, effort is made to ensure that someone from each group is available to attend the MPM class. Group membership is limited to between four and five students, depending on the size of the class. Project performance represents 10 percent of the auditing students' overall course grade. Experience has established that this is a reasonable weight to motivate students to perform their consulting activities.

The consulting project uses an instructional team consisting of the auditing course instructor and a writing instructor. The writing instructor assists students with written reports and oral presentations. Group assignments are made at the beginning of the semester to allow the students sufficient time to develop strategies and become familiar with their group members. Start dates for the various groups depend upon the progress of the MPM class. Once a start date is announced, the group has approximately two weeks to meet with the MPM students, analyze the assigned problem, and complete its consulting activities.

At the beginning of the semester, the nature of the project and project expectations are explained to the auditing and MPM students. A handout describing specific group assignments is also distributed. Each auditing team is responsible for contacting MPM students to schedule a meeting. The consulting activities include at least one additional meeting and a formal written report identifies the problems, describes the analysis, and lists recommendations for specific actions. Formal oral presentations to the MPM class are also required and videotaped. Presentation videotapes are later viewed by the auditing students and critiqued by the instructional team.

We have found several benefits from the project. First, it requires our students to demonstrate their knowledge in the areas of cost accounting, accounting systems and control, and financial reporting. Students also utilize their knowledge of business law, finance, and marketing. Communication skills are enhanced via the written report and oral presentation, which require the use of non-technical terms to explain accounting and business practices to the client company. The relatively unstructured nature of the project forces students to develop their problem-solving skills. Interpersonal and leadership skills are developed through group work and in seeking to meet the client's demands.

As with any project, time presents a problem for students and instructors. Most of our students have jobs, making it difficult to schedule group meetings. In addition, the project reduces the class time available to cover traditional auditing subjects, which we offset by providing assistance outside of class whenever possible.

We have used this project for several semesters and believe that similar activities could be successfully introduced at other institutions. Unstructured activities like this project enrich the educational experience and stimulate student creativity.