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What to know about AACSB Accounting Standard A5

Learn what peer review teams are looking for in terms of the technology standard.

By Courtney Vien
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In April 2018, the Association to Advance Collegiate Schools of Business (AACSB) formally adopted new accreditation standards for business school accounting programs (https://www.aacsb.edu/accreditation/standards/accounting). The standard that perhaps caused the most conversation was A5 (https://www.aacsb.edu/-/media/aacsb/docs/accreditation/accounting/standards-and-tables/2018-accounting-standards.ashx?la=en), the technology standard. More so than its predecessor, 2013's Standard A7 (https://www.aacsb.edu/-/media/aacsb/docs/accreditation/accounting/standards-and-tables/accounting-standards-2013-update.ashx?la=en), A5 required departments to integrate the teaching of current and emerging technologies across the curriculum. It also placed new emphasis on developing students *and* faculty members' technological agility, and, for the first time, required departments to list all technologies taught in *all* classes.

A5 was designed with disruption in mind, said Tracey Golden, CPA, CGMA, an audit partner at Deloitte and a member of the AACSB Accounting Accreditation Task Force, speaking at a meeting (https://www.journalofaccountancy.com/podcast/cpa-pipeline-professors-and-practitioners.html) of the AICPA's governing Council in October.

But what, exactly, will peer review teams be looking for in terms of A5?

Agility: It's about mindset

If you look carefully at the titles of the 2013 and 2018 technology standards, you'll notice only one word that appears in the latter but not the former, Stephanie Bryant, Ph.D., executive vice president and chief accreditation officer at the AACSB, said in an email. That word is "agility."

In fact, "the need for agility in technology was the driver in updating the standard," she said. "AACSB-accredited schools and the firms that employ their graduates understand that agility will be vitally important to the future of the accounting profession as technology continues to change the way people work."

AACSB, she said, wants to emphasize the point that having agility is more important than being able to master specific software or technological concepts.

"The technologies that students will have to be able to pick up and quickly learn are being created as we speak," Bryant said. A5, she said, is meant to help create "a behavioral mindset" that will allow students to "understand a tool and use it quickly without extended training."

The standard allows schools flexibility in how they define agility and how they teach it, said Sharon Lassar, CPA, Ph.D., professor and director of the School of Accountancy at the University of Denver and a member of the AACSB Accounting Accreditation Task Force, which developed the standard. "Whether they teach R or Python, for example, doesn't matter as much as that students are aware of the different technologies they can use for different decision-making processes," she said.

One way to foster agility, she said, is to have students compare more than one piece of software or form of technology that can be used to accomplish the same task. For instance, faculty could have them use different databases, all of which work a little differently, to conduct tax research.

How schools are expected to document technological agility

AACSB Standard A6 lays out faculty credentials for teaching accounting courses and is also where the use of technology within the accounting curriculum is documented. It requires that departments complete a table (Table A6) that lists each course taught in the program, the minimum qualifications or credentials of the person teaching the course, and the technology integrated into the course. The requirement to list the technology taught in each one of a department's classes can strike some department heads as daunting. However, as Yvonne Hinson, CPA, CGMA, Ph.D., academic-in-residence at the AICPA and a member of the AACSB Accounting Accreditation Committee and AACSB Accounting Accreditation Policy Committee, stressed, peer reviewers won't be looking for specific software or types of technology, or to see advanced technology taught in all classes.

Instead, said Hinson, who is an AACSB peer reviewer, they will examine a school's technology offerings in a more holistic manner to ensure that students are ready for their first position out of college.

As Lassar put it, "The reason for the list is to get back to the idea of wanting to be more explicit about current or emerging technologies across the curriculum." Peer reviewers want to see that schools aren't just teaching technology in one or two AIS courses, but that they've integrated it departmentwide in a thoughtful manner.

The AACSB, she said, "has criteria but is flexible in allowing you to create the curriculum you want as long as it supports your students and is innovative and high-quality."

When revising their technology strategies, schools should think about how they're preparing students for the workplace. "The objective is to mirror in the classroom the technologies that students will be expected to be knowledgeable about when they hit the workforce," Bryant said.

And, as Lassar pointed out, technology changes so quickly that it makes little sense for peer reviewers to expect to see specific software or concepts in the classroom. The precise technologies a school uses "will depend on the school and the year they're being reviewed," said Lassar. "New technologies could come out tomorrow!"

How to start planning for A5

Many schools are well on their way to complying with Standard A5, as it builds upon 2013's Standard A7, Bryant said. She noted that, by and large, schools have made good progress in improving their technological offerings over the past five years.

When departments think about how they will meet the standard, she said, what's most important is that they keep one guiding principle foremost in mind: the need "for the accounting curriculum to be current, relevant, and forward-looking to prepare students to be successful as they enter the accounting profession."

Hinson recommended that departments network with other institutions who are also applying the standard to their curriculum. The AACSB's blogs and moderated member forums are a good way to exchange ideas, she said.

Faculty who want to learn new technologies can attend AAA section meetings or workshops devoted to different tech tools, Lassar said. They can also take advantage of the free subscriptions and tutorials many software providers offer, she said.

Schools with questions or concerns about A5 can contact their AACSB staff liaison, Bryant said, or get in touch with their peer review team after they've been assigned one. She reminds departments that peer review teams aren't simply compliance-oriented. They're "expected to focus on providing consultative feedback," she said, "and therefore they are an excellent resource."

Though complying with Standard A5 can seem like a challenging task, it's meant to strengthen accounting departments and provide a good foundation for the future, Hinson said. Moreover, she added, it dovetails with what the current generation of students wants from their education.

Technology "is home" for Gen Z students, she said. "They want to see it integrated into their classes. They're used to learning about technology and asking the right questions."

Standard A5, she predicted, will "benefit students, accounting programs, and the profession."

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