

Candidate Chronicle

A NEWSLETTER FOR TEXAS CPA EXAMINATION CANDIDATES - PUBLISHED BY THE TEXAS STATE BOARD OF PUBLIC ACCOUNTANCY

VOLUME 9

AUSTIN, TEXAS

OCTOBER 2001

Last summer, small groups of students and young professionals across the country participated in a research project to voice their views on the future computer-based CPA examination.

Focus groups speak out on the **COMPUTER-BASED EXAM**

A whole new way of doing things.

The American Institute of Certified Public Accountants (AICPA) and the National Association of State Boards of Accountancy frequently survey CPAs, accounting students, as well as other groups about a range of issues in order to be responsive to the needs of the profession.

In preparation for the conversion to the computer-based CPA examination in 2003, the AICPA conducted seven focus groups in five cities across the country in June and July 2001. The Gary Siegel Organization (GSO) was hired to moderate the sessions.

The purpose of this study was to identify the issues and concerns of CPA examination candidates and potential candidates about the proposed conversion to a computer-based CPA examination in 2003, including its structure, content, and delivery. The studies looked only at responses from participants, without seeking any particular answers, in the form of honest reac-

tions to forward to the state boards of accountancy and professional associations.

This article contains no answers to the questions raised in the focus groups, as GSO was asked only to report participants' concerns. As the finer points of the computer-based examination are worked out and details become available between now and November 2003, the Board will disseminate this information to candidates.

In its report, GSO stated, "These results give us confidence that the focus group participants do reflect the views of the universe from which they were drawn."

Each focus group consisted of eight to twelve people who share particular characteristics. The participants were broken down into separate groups of

students and young professionals, with one group in Scottsdale, Arizona comprised totally of minority accounting students in order to ensure that their perspective was obtained.

Participants were asked to read a document before the group met. The document,

"For employers, definitely it's welcome because they're getting experienced staff that know how to navigate through the software and do spreadsheets really well."

L.A. young professional

prepared by the AICPA and NASBA, included information about plans for the computer-based CPA examination.

The focus groups were polled about whether they believe that a computerized CPA examination is a better or worse depiction of the "real world" of a CPA. They were also queried on their perspectives and those of their colleagues about whether those perspectives are generally, positive, neutral, or negative.

Groups were also asked to think about whether they believe their schools currently have the resources or the ability to prepare students for the computer-based examination and what the schools can do to better prepare students for the examination.

Candidate concerns

While most participants believed the conversion to a computer-based examination is necessary, some questioned whether the AICPA might be making too many changes too quickly. They speculated whether the examination would actually be ready by November 2003, which some thought might be too soon. Concern stemmed from the shortage of information on the examination structure and content as well as the need to know what to expect. Focus group members want access to this information as well as to sample questions long before 2003.

Fearing that the examination might be more of a computer examination than an accounting one, some focus group participants wondered whether the examination will gauge their expertise and ability on a computer or their proficiency as an accountant. The examination could be overwhelming, said one participant, because of the need for both knowledge in accounting and computer programs.

E a c h group brought up logistical concerns.

In losing the flexibility of a paper and pencil examination, the groups discussed the ability to get an overview of questions during the examination and to work out problems on paper. They want to know how much time will be allowed per section, whether they will be able go back and change answers, and how the examination will be graded. They

also want to know the nature of the new topics (e.g., economics) that will be added to the examination.

Focus group members asked whether spelling, neatness, grammar, and punctuation will continue to be considered on the revised examination. Some participants would like it to remain. "You could be the most intelligent person in the world," said a Dallas young professional, "but if you can't write it and express your words on paper and do it in an intelligent way and know how to grammatically do that, you're not going to be able to go out there and write a report."

A secure and continuous computerized examination necessitates a sizeable supply of approximately 10,000 questions. The quality of future examinations depends on pretesting to ensure that only the best questions are used. Focus group members wanted to know the mix of multiple choice questions, case-based simulations, and word problems, as well as how will these questions be formatted.

Pretesting workshops

When participants were asked whether they would be interested in attending pretesting workshops if they were offered, virtually every person expressed a willingness to do so.

Many participants said they would like to have more CPA examination preparation in college, especially the opportunity to do practice questions. Focus group members expressed concern that smaller schools and those with fewer resources will adapt more slowly to the examination conversion and will therefore be less helpful in preparing for the examination. The focus groups all agreed that it is essential to be in communication with professors concerning the examination format changes as early as possible to allow for revisions to college and university curricula. The groups want instructors to be aware of the new examination content to better prepare students. To this end, some suggested that professors also attend pretesting workshops in order to include what they've learned into their curricula.

Students wondered whether colleges will change their accounting curriculum to conform to the changes in the CPA examination. They thought that professors are not currently trained to prepare students for this exam by November 2003.

A New York student mused, "I guess the school would adapt to the changes also because . . . they're not really teaching some of these things right now in school."

"If you pass the test, the computerized program and everything, you know your stuff."

New York young professional

In addition to disseminating advance information to colleges and universities, focus group participants would like the AICPA to also supply information straight to candidates, libraries, and professional publications, either in the form of demonstration disks or sample questions and suggested answers on the AICPA website. They also want the AICPA to offer review courses/workshops on college campuses and at job sites.

Examination preparation

Many participants believe it will be more difficult to prepare for a computer-based examination due to the fact that little is known about its format or content. Some also speculated whether colleges will have sufficient time to prepare students for the new format by 2003.

Most students said they plan to take a review course prior to the examination, and most of the young professionals have already done so. They want to familiarize themselves with the examination format, gain reassurance that they know what they need to know to pass the examination as soon as possible, and to use the course as a reference source for questions.

Because the new examination lacks history and may be seen as more strenuous than the paper-based examination, candidates in the focus groups want information on the content and format in order to better prepare. Otherwise, one participant stated, "It will be a shock. It's just the unknown . . . not knowing what the content is."

The minority student group in Scottsdale said that even though the new format might be an unwelcome change, later candidates may be better prepared.

The computer-based examination will oblige candidates to have technical skills not on the examination. Most participants said the computer-based examination is welcome because it is essential for a CPA to be computer-proficient and to have the additional skills that will be examined to better prepare for the workforce.

Those already in the workforce were asked whether they believe that their on-the-job use of spreadsheets and databases will better prepare them for working with databases on the examination. Most had no problem accepting case-based simulations, spreadsheets and databases, business environment and concepts, communication skills, and analytical and integration on the examination because of their schooling and on-the-job training. Participants emphasized the importance of learning the concepts, not

just memorizing them.

"I think what you want to avoid is making sure that you are not testing one kind of spreadsheet and one kind of database," offered a Scottsdale student, "because as soon as you go into that firm, they are going to have you doing things in their own way, and you don't want to try to test one way and then have people going and doing something else when it is totally irrelevant on a test."

A member of the Denver student group stated succinctly, "You are going to get that kind of test, a case simulation, whether you are taking it at a test at school, at the CPA [examination] or when you sit down at your desk for the first time and they say, 'Okay, here's a situation and we need you to go research this and tell us what the answer is.'"

New York young professionals' opinions were split when asked if they thought the new examination will be harder or easier. According to GSO, most believed it will be more difficult to study for if it is an adaptive test requiring computer skills. Others thought it might be both easier and harder: easier because most students possess computer skills, but harder because they lack work experience. Conversely, some said that older professionals might find it easier because of their work background, but more difficult because they are less comfortable with computers.

Scottsdale students said they would like the opportunity to learn the software and actually prepare for the examination on the computer.

Examination cost

GSO reported to the AICPA and NASBA that most focus group members confirmed that after investing so much in their education, the increased examination fee was not an issue. "I've gotten this far. I'll just go for it," a New York young professional told the

GOALS of the COMPUTER-BASED EXAM

GSO introduced focus group members to the following five primary proposals on substantive changes to the CPA examination when it is converted to a computer-based format.

- ✓ To incorporate case-based simulations in the examination.
- ✓ To incorporate spreadsheets and databases into the examination.
- ✓ To include business environment and concepts into the examination.
- ✓ To assess communications skills.
- ✓ To assess analytical and integration skills.

CONCERNED CPA NETWORK

Offering **CONFIDENTIAL** assistance to CPAs, exam candidates, and accounting students who may have a drug or alcohol dependency problem or mental health issues.

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Focus Groups

continued from page 5

LOCATIONS OF FOCUS GROUPS

Young Professionals

Dallas, TX
Los Angeles, CA
New York, NY

Students

Denver, CO
New York, NY
Scottsdale, AZ *

*2 groups

group.

"It's not an option," stated a member of the Dallas young professionals focus group. "It's like, would you not get your driver's license? It's something you have to have if that's the direction you want your career to take."

Some focus group members mentioned that the increased cost would be added motivation to be better prepared in order to avoid having to take it again. One Denver student affirmed this attitude. "It will definitely affect how much I put into preparing before I go sit for it, but it won't affect whether or not I sit."

Policies for conditioning

GSO reported that most focus group participants believe that a candidate who conditions on the paper examination should be able to finish the remainder of the examination the same way. Some participants said they want to complete the entire examination prior to the conversion to avoid having to take part of the examination on paper and part on the computer.

Benefits of a computerized exam

Along with the opportunity to take the examination more frequently, group participants mentioned the benefits of scheduling flexibility and receiving grades sooner.

Focus group participants generally liked the scheduling flexibility and the idea of being able to take the examination more often, including the thirty-day window to take all four parts. Participants pointed out that because of the more flexible examination schedule, they won't find it necessary to study during tax season. Others said that thirty days would not provide enough study time to study so much material in such a short period, particularly for candidates who are working. Several participants suggested a three-month or longer timeframe.

In New York, young professionals considered the major benefit of the computer-based examination to be the enhanced job opportunities because it tests the skills and knowledge used on the job, making it a more accurate indication of CPAs' practical skills. Moreover, the computer-based examination will entail less memorization and more analytical and business skills which demonstrate a better understanding of business issues, the groups agreed. Because the computer-based exam is a better indicator of reality than the paper-based examination, New York young professionals thought that a key benefit of the conversion for those who pass will

be a better chance of getting jobs because they have the skills and knowledge necessary for the workplace. "If you pass the test, the computerized program and everything, you know your stuff," summarized a New York young professional.

Other participants cited the flexibility of the computer-based examination as a big advantage, not necessarily because it's a computer test, but because the material being tested will focus more on what the business world wants, instead of what the colleges think the students should know. "One of the benefits should be that all the basic charts and graphs that we will never memorize in the field because we will simply open up the latest IRS chart and look at it should be available to us there," a Denver student pointed out.

A young professional from Los Angeles said, "For employers, definitely it's welcome because they're getting experienced staff that know how to navigate through the software and do spreadsheets really well. They're ready to go out there and conquer the clients and everything."

A Dallas young professional concurred. "Considering the alternative and just the memorization, I would prefer to see a case-based study than having to memorize all this stuff because to me, memorization doesn't work as well as understanding a concept and trying to apply it."

"I think most people associate change and computers with progress so in that sense it will be more acceptable," a New York young professional told the focus group. However, many participants said the computer-based examination would be unwelcome until candidates get used to it.

GSO reported, "Participants in several focus groups wondered if the examination will test their expertise and ability on a computer, or if it will test their proficiency and professionalism as an accountant. While the change is welcome, some are overwhelmed by the fact that there is too much change, too quickly – they don't think schools will have enough time to prepare students."

The results of the focus group indicate that the human factor is very important in the development of the computer-based examination. Although the accounting profession flies through cyberspace, it takes skilled and knowledgeable people to implement and interface all aspects of the profession in today's world, lest we forget the person.



NOVEMBER 2001

Uniform CPA Examination Schedule

WEDNESDAY

November 7, 2001

Business Law
& Professional
Responsibilities (LPR)
9:00 AM - 12 NOON

Auditing (AUD)
1:30 PM - 6:00 PM

THURSDAY

November 8, 2001

Accounting & Reporting
(ARE)
8:30 AM - 12 NOON

Financial Accounting
& Reporting (FAR)
1:30 PM - 6:00 PM

LOCATIONS

Fort Worth
*Will Rogers
Convention Center*
Austin
Palmer Auditorium
El Paso
Hawthorn Inn & Suites
Galveston
*Moody Gardens
Convention Center*
Lubbock
Lubbock Civic Center
San Antonio
Live Oak Civic Center

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Published by the
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(512) 305-7851.

You must have your photo ID and one other form of identification to enter the examination room.

Future Exams

THE FUTURE EXAMS DATES AND THEIR FILING DEADLINES ARE shown below. Please use these dates when planning for these exams.

MAY 8-9, 2002

Filing deadline
March 15, 2002

NOVEMBER 6-7, 2002

Filing deadline
September 15, 2002

MAY 7-8, 2003

Filing deadline
March 15, 2003