External Review of the University of Hawaii at Hilo College of Business and Economics Accounting Program.

Reviewer: John P. Wendell, Director, Shidler College School of Accountancy, University of Hawaii at Manoa

February 10, 2014

Scope: For my review I was provided a self-study report by Dean Dhir and additional comments on the self-study report by members of the accounting faculty. In addition I met with Dean Dhir, Business Department Chair Kelly Burke, Librarian Kathleen Stacy, all three members of the Accounting Faculty (two in person and one via phone), students currently majoring in Accounting, and a group of professional accountants from the business community in Hilo.

Overall Recommendation: I would like to congratulate the CoBE, its faculty, administration, and support staff for providing a quality program that is highly valued by both students and the professional community. As the self-study report makes clear there is a demand for an accounting program at UHH that will continue into the foreseeable future. Consequently, I recommend, without hesitation, that the program be continued for another five years.

Specific Recommendations: The self-study report was well written and I will not reiterate the conclusions in the self-study but concentrate my recommendations on those areas that either were not directly addressed in the self-study report or where I believe I can make suggestions beyond what was in the report that may be helpful in improving the program.

1. The largest challenge that is facing the program is that there are only three accounting faculty members. Regardless of the number of students, maintaining an accounting program requires a minimum number of faculty to cover all of the different subject areas and maintain currency in the curriculum. The overwhelming majority of AACSB accredited institutions with an undergraduate accounting degree have more than three accounting faculty. Because the accounting program is preparing its students for a licensed profession with rigorous standards and expectations the bar for currency is necessarily set higher than for most of the rest of the business curriculum. Consequently, preparation time can be very time consuming even for courses recently taught. This is particularly true for taxation which is constantly subject to changes in statutes, regulations, and case law. Increasing internationalization in both the accounting and auditing standards is also creating special challenges. Even managerial accounting is affected by internationalization in the area of transfer pricing and corporate social responsibility. The three Hilo accounting faculty members have done an outstanding job at maintaining a quality accounting program under these challenging conditions but there is a substantial risk that this is unsustainable going forward and could lead to faculty burn out if it is not addressed. The best solution would be to add a fourth full time accounting faculty member who is comfortable with teaching the tax courses. If resource constraints don't allow for adding another faculty member, a work around would be to have the tax courses covered by adjuncts since none of the current faculty have tax expertise.

2. I recommend that an Accounting Program Advisory Board be established from the professional accounting community for the purpose of providing input on the curriculum and other aspects of the program. Getting feedback from the professional community is essential for keeping the program on track and moving forward. An advisory board will help ensure that the feedback is both timely and relevant. Although most of the members of the board will come from Hilo I believe it would be appropriate to recruit some members from O'ahu since the program is placing students there.
3. The self-study pointed out that there has been some difficulty in recruiting Native Hawaiians into the accounting major. One suggestion that might help is to start targeting students while they are still in high school. Doing presentations to students about the advantages of an accounting career and working with the guidance counselors at the Kamehameha and other schools with large native Hawaiian populations might increase the enrollment in the program.

4. Outcome 8 in table 4.1 of the Matrix of Program Outcomes and Courses is “Apply the interpersonal and leadership skills expected of today's accounting professional. (Demonstrate leadership and teamwork skills in completing group assignments).” This outcome is met by MGT 490. There is an advantage to teaching these skills in a domain specific environment and consequently it would be appropriate to incorporate these skills into one or more accounting courses. I believe the best fit would be ACC 454, Auditing, but that is of course open to debate.

5. UHH's professional library staff provide support services through library instruction which includes developing student's skills in using databases and other research tools. I recommend the faculty consider incorporating some library instruction sessions into their courses as appropriate. I also recommend that the faculty meet with the librarian at least once a year to access whether or not the available library databases and other resources are meeting the needs of the program.

6. Department Chair Burke states in the self-study report that “With regard to program and curriculum development, we are in the process of identifying a lead accounting faculty member. This person will be responsible for engaging accounting faculty in a collaborative effort to establish a systematic curricular, program and assessment planning and implementation.” I agree that a faculty member needs to be designated to do these responsibilities but I also believe that there are many other tasks that should be the responsibility of the lead faculty member to make sure they are implemented. These tasks include:

   • Meeting regularly with the chair of the advisory board (see 2 above) to plan and coordinate advisory board meetings.
   • Facilitating and planning recruiting activities for students (see 3 above).
   • Interface with the professional librarians to ensure the programs needs are met (see 5 above).
   • Planning the course offering and scheduling to ensure that students needs are met and that the courses they need to complete the accounting major are available.
   • Working with employers and students to help facilitate the best placement for internships and for employment upon graduation.

All of these tasks make important contributions to a successful accounting program and they need a faculty member who is responsible for making sure they get accomplished. The lead faculty member would work with the other faculty members to accomplish these tasks but there needs to be someone who has the ultimate responsibility. Given that many of these tasks require interfacing with people external to the University I would suggest that this “lead faculty” member be given a title that will reflect the scope of their responsibilities. I suggest “Director of the Accounting Program,” or something similar.