

A Preliminary Study of Student Perspectives on International Financial Reporting Standards (IFRS) Education

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Abstract

The increasingly borderless global economy has led to the adoption of International Financial Reporting Standards (IFRS) around the world. However, U.S. Generally Accepted Accounting Principles (GAAP) is still the set of standards required by the Securities and Exchange Commission (SEC) for financial reporting in the United States. Despite the fact that the SEC believes transitioning to IFRS is in the best interest of the U.S. securities markets generally and U.S. investors specifically, efforts to converge IFRS and U.S. GAAP have not succeeded. Still, under the background of globalization of business, IFRS education has increasingly become important for business majors especially accounting major students. While much of the extant IFRS curricular research has focused on the educator and employer perspective, this paper using survey research methodology explores student perspectives on IFRS education and student IFRS knowledge level. During fall 2013, the author conducted an online survey targeting the business major students involved in different level accounting courses at Purdue University and three other universities including University of Colorado, Weber State University, and Louisiana State University. Based on survey results, this paper examines seven influencing factors (student education level, major, nationality, professional experience, interest in taking the CPA exam, career interest and expected workplace) that affect student appreciation of IFRS education. Results also indicate that most students already realize the importance of IFRS education, but with the current accounting education, many students haven't gained a solid foundation for the entry-level IFRS knowledge and skills that meet the expectations of educators and employers. The paper concludes with recommendations and strategies for incorporating IFRS education into the universities' accounting curriculum based on the research findings.

Keywords: IFRS education, university accounting curriculum, student knowledge of IFRS

1. Introduction:

On July 13, 2012, the SEC published the Final Staff Report ("Work Plan for the Consideration of Incorporating International Financial Reporting Standards into the Financial Reporting System for U.S. Issuers") that summarized the observations and analyses of the SEC staff, regarding six key areas, in the Work Plan. IFRS education and training were addressed in three areas: (1) investor understating and education regarding IFRS; (2) impact on issuers; and (3) human capital readiness.

Despite the fact that U.S. GAAP is still the set of standards required by the SEC for financial reporting in the United States, IFRS is already an important facet of global accounting under the backdrop of the increasingly borderless global economy. Approximately 120 nations and reporting jurisdictions permit or require IFRS for domestic listed companies¹. While the SEC has not answered the fundamental question of whether transitioning to IFRS is in the best interest of the U.S. securities markets generally and U.S. investors specifically, nor has the SEC

required adoption of IFRS for publicly reporting companies, there are some other forces which seem to have considerable influence in determining the level of IFRS knowledge needed for accounting professionals.

First, The Big 4 accounting firms in the US have been providing incentives for accounting educators to incorporate IFRS into curricula in two ways. Firstly, they provide educational materials on their websites, and secondly, they adopt recruitment policies that reward students who have a global perspective ². At least one of the Big Four accounting firms is requiring some level of knowledge of IFRS during the interviewing phase. This firm is now requesting that interviewers ask IFRS-specific questions and interviewees must display some level of knowledge based on the courses they have completed ³.

The second force shaping IFRS education arises from the AICPA Board of Examiners (BOE) which has already included selected IFRS content in the Content and Skill Specification Outlines (CSOs/ SSOs) for the Uniform CPA exam specifically for the Financial Accounting and Reporting (FAR) section of the CSO. The decision to include IFRS on the CPA Examination was based on a determination that knowledge of IFRS is currently required of entry-level CPAs in protection of the public interest. A practice analysis was used to make this determination. According to BOE, "IFRS is part of current entry-level CPA practice, notwithstanding the fact that IFRS and US GAAP have not yet fully converged. For the foreseeable future, both US GAAP and IFRS will be included on the CPA Examination. Entry-level CPAs will need to be conversant with both" ⁴.

Finally, from the perspective of the employers in the United States, IFRS knowledge and skills becomes increasingly important. For example, US companies owned by international entities need to prepare reporting packages using IFRS, and US companies owning international entities also need to work on converting IFRS financials to US GAAP. Results from a survey conducted by California State University indicated that employers already required accounting graduates to have some awareness of IFRS and its relationship to U.S. GAAP in 2009. By 2013 students were expected to be able to apply IFRS in recording transactions, prepare IFRS-based financials, and reconcile IFRS to US GAAP ⁵.

While much of the research on IFRS education has focused on the educator perspective ⁶, little research has examined student IFRS knowledge level and student attitudes toward IFRS education.

2. Research Design:

Using a survey methodology, this research examines the student perspectives on IFRS education. The survey includes seventeen questions in total. Specifically, four categories of questions were addressed in the survey: (1) student evaluations on the IFRS education; (2) student perspectives on IFRS-U.S. GAAP convergence; (3) student assessments of their own IFRS knowledge; (3) students' demographic information.

The survey was designed and administered during fall 2013 using Qualtrics, a web survey software. The targeted survey participants are students especially business major students involved in different levels of accounting courses at Purdue University, University of Colorado, Weber State University, and Louisiana State University. To reach across the accounting curriculum, the current instructors of different accounting courses (Introductory Financial Accounting, Intermediate Financial Accounting, Advanced Financial Accounting, Managerial Accounting, Cost Accounting, Taxation, Auditing, and International Accounting) were identified. Based on this list, an e-mail was sent to each instructor to explain the survey purpose and invite their students to participate in the survey. The targeted instructors were requested to forward a survey invitation to their students. A follow-up request was sent one week later to encourage survey participation. A total of 336 participants responded to the survey. 308 of the responses were usable in analysis.

3. Result and Discussion:

The two largest respondents groups by school year are junior and senior undergraduate students. Among all the effective responses, the majority (61.5%) came from Purdue University while the rest were from University of Colorado, Weber State University, and Louisiana State University. As expected almost all the respondents (99.4%) are business major students, and 79.4% are accounting majors.

The discussion of the survey results focuses on four research questions: (1) student appreciation on IFRS education, (2) student satisfaction with IFRS education, (3) student IFRS knowledge and skills, and (4) student preferred strategies for IFRS education.

3.1 student appreciation on IFRS education

The survey results reveal that most survey participants (85.5%) believe IFRS education is either important or very important to their overall accounting education. 11.7% of the respondents neither agree nor disagree with the importance of the IFRS education. 9% of survey participants do not think IFRS education is important to their accounting education. While 33.4% of the respondents state they “strongly agree” on the importance of IFRS education, no respondents “strongly disagree” that IFRS education is important.

The following analysis aims at evaluating the importance of IFRS education from the student perspective. Specifically, the author identified the seven potential influencing factors embodied in the demographic survey questions: (1) education level, (2) major, (3) nationality, (4) professional accounting experience, (5) plan on taking the CPA exam, (6) career interest, and (7) expected work place. An initial discussion will be provided, covering the rationale behind such identification and the direct survey results (Table 1). Then, the six potential influencing factors will be examined through the leaner regression model to determine the most influential factors that affect students’ appreciation level for IFRS education (Table 3). Furthermore, by applying the means separation test, the relationship between each proven influencing factor and the level of student appreciation on IFRS education will be analyzed (Table 4).

Table 1. importance of IFRS education rated by students

IFRS education is important to my accounting education:

Rating Scale (Strongly Agree = 1, Agree, Neutral, Disagree, Strongly Disagree = 5)

<u>Panel A: education level</u>	Freshman	Sophomore	Junior	Senior	Master	PhD
Average Rating	NA	1.86	1.77	1.95	1.67	NA

<u>Panel B: major</u>	Accounting	Non-Accounting
Average Rating	1.80	1.97

<u>Panel C: nationality</u>	International	Domestic
Average Rating	1.72	1.90

<u>Panel D: professional accounting practice/internship</u>	With Accounting Practice	Without Accounting Practice
Average Rating	1.92	1.80

<u>Panel E: CPA exam plan</u>	With CPA Exam Plan	Without CPA Exam Plan	Not Sure
Average Rating	1.74	2.09	1.88

<u>Panel F: career interest</u>	Auditing/ Assurance	Tax	Consulting/ Advisory	Corporate Accounting/ Finance	Other	Not sure
Average Rating	1.81	1.97	1.91	1.74	1.90	1.86

<u>Panel G: expected workplace</u>	Big Four accounting firms	Other public accounting firms	Multi-national companies	Domestic companies	Government entities/ Non-profits	Other	Not sure
Average Rating	1.74	1.88	1.76	2	2.14	1.89	1.88

3.1.1 education level

Education level was identified as a potential influencing factor that affects student appreciation of IFRS education based on the assumption that students of different education levels have different levels of accounting knowledge which would affect students in determining the importance of IFRS education.

In the survey, respondents were asked to choose their school year (freshman, sophomore, junior, senior, master, and PhD) and to rate the importance of IFRS education from Strongly Agree, Agree, Neutral, Disagree, or Strongly Disagree. Table 3 Panel A provides the results.

Regardless of the education level, most of the respondents agreed that IFRS education is important. The average rating showed that master students were more inclined to appreciate the importance of IFRS education than undergraduates. Within the undergraduate students, the rank of appreciation level for IFRS education from highest to lowest is: junior, sophomore, senior (no freshman in the survey population). One possible explanation of junior students' greatest appreciation for IFRS education is that junior students have heard more about IFRS in their accounting courses compared to freshmen and sophomores; and compare to seniors, they have fresher memories about IFRS materials. To further explore why junior students tend to have greatest appreciation for IFRS education compared to other undergraduate students, the survey results of the question regarding accounting curriculum setting were examined. Respondents were asked to list the courses in which IFRS has been discussed. Table 2 provides the results.

Table 2. classes listed by students that discuss/ cover IFRS

Course	n	%	Rank*
Intermediate Accounting	275	86.8	1
Introductory Accounting	139	43.8	2
Advanced Accounting	88	27.8	3
Other Classes (please specify)	34	10.7	4
IFRS has not been discussed in any class	5	1.6	5
I have heard about IFRS from other sources	3	0.9	6

*Rank is based on the value of n.

The results reveal that among all the accounting courses, intermediate accounting is the major course in which IFRS has been discussed. According to the suggested course schedule for accounting undergraduates at Purdue University, Introductory Accounting and Management Accounting I are recommended to be taken in students' sophomore year; Intermediate Accounting I and II are encouraged to be taken in their junior year; Advanced Accounting and some other classes (i.e. Auditing, International Accounting) are classified as senior or graduate level. Through the interview with Professor Troy Janes who had experience teaching accounting course at different universities, many universities in the United States have similar accounting course schedule as Purdue University's ⁷.

Since junior students have just completed or are currently taking an intermediate accounting course where IFRS has been discussed most, IFRS materials are fresh in their mind. This explains the reason why junior students have the greatest appreciation of IFRS education. This also suggests that the universities need to improve the consistency of IFRS education, so that students at all education levels would have fresh memories about IFRS and appreciate IFRS education.

3.1.2 *major*

Student major was identified as a potential influencing factor that determines student appreciation for IFRS education based on the assumption that accounting students, as they dig more into their accounting curriculum, tend to appreciate IFRS more. Table 1 Panel B indicates that accounting major students had greater appreciation for IFRS education compared with non-accounting major students.

3.1.3 *nationality*

Since U.S. GAAP is still the set of accounting standards required by the SEC for financial reporting in the United States, while approximately 120 countries including the European Union and Asia Pacific members, Canada, Korea, Brazil, Japan, and India require or allow the use of IFRS for preparation of financial statements, international students might have more incentive compared to domestic students to get IFRS education. Table 1 Panel C shows that international students had greater appreciation for IFRS education than domestic students.

3.1.4 professional experience (accounting practice)

The professional accounting experience of the students was identified as a potential influencing factor based on the assumption that the accounting practice or the internship would provide students a different perspective when they evaluate their accounting education.

The survey results show that nearly a third of the respondents (29.6%) demonstrated having been employed in an accounting position (including internship) before, of whom 83.9% of the respondents think IFRS education is important. This number is quite close to 86.3%, the percentage of respondents without accounting practice (internship) but with the belief that IFRS education is important. However, while 36.8% of the students who had not been employed in an accounting position “strongly agree” with the importance of IFRS education, 25.8% of the students with professional accounting experience showed high appreciation of IFRS education. This suggests that through the accounting practice or internships in the real business world, students maintain their agreement on the importance of IFRS education, but the appreciation level could be adjusted (from “very important” to “important”). A possible explanation would be that as accounting interns, students primarily deal with U.S. GAAP which still has dominant role for financial reporting in the United States. In another word, students do not usually have chance to apply IFRS through their accounting internships. As a result, students with accounting practice have even lower appreciation of IFRS education, compared to the students without any accounting practice.

3.1.5 plan on taking the CPA exam

Since the IFRS has already been included in the Content and Skill Specification Outlines (CSOs/ SSO) for the Uniform CPA exam, an assumption that whether or not students plan on taking the CPA exam would affect their appreciation on IFRS was made. Based on the survey results, the majority of the students who plan to sit for the CPA exam (90.3%) rated IFRS education as very important or important compared to 71.7% of the students without plans to take the CPA exam.

3.1.6 career interest

Career interest was also identified as a potential influencing factor that affects student appreciation for IFRS education. The assumption was that students with career interests containing a financial reporting aspect, for example, corporate accounting/ finance, would think IFRS education more important than students with career interest containing little financial reporting aspect, for example, tax.

Based on the Survey results shown in Table 1 Panel F, the career interests which influence students' appreciation of IFRS education from highest to lowest are: “corporate accounting/ finance”, “auditing/ assurance”, “not sure”, “other”, “consulting/ advisory”, “tax”. The results suggest that the students with career interest in corporate accounting/ finance have the highest appreciation of IFRS education, which might be well explained by the fact that under the business globalization background, companies tend to involve in more cross-border transactions which require international financial reporting under IFRS. On the other hand, since different standards are required for financial and tax reporting, students interested in pursuing a career in tax might have less interests in learning IFRS which is consider to be advanced financial reporting knowledge.

3.1.7 expected work place

Student expected workplace was identified as a potential influencing factor based on the assumption that students having expectations to work for companies with international segments (e.g., Big Four, Multi-national companies) would focus more on getting an international business perspective for their education, so they have an incentive to learn IFRS.

Table 1 Panel G shows that student expected workplace which affect student appreciation of IFRS education from highest to lowest are: ‘Big Four accounting firms’, ‘Multi-national companies’, ‘Other public accounting firms’, ‘Other’, ‘Not sure’, ‘Domestic companies’, ‘Government entities/ Non-profits’.

To test whether the above factors are true influencing factors that determine student appreciation level on IFRS education, the leaner regression model was applied using SAS. The results are shown in Table 3.

Table 3. leaner regression model of potential factors that affect student appreciation on IFRS education (alpha = 0.1)

Factor	DF	Parameter Estimate	Standard Error	t Value	Pr > t
Intercept	1	1.38016	0.35396	3.90	0.0001
Edu Level	1	0.00645	0.07085	0.09	0.9275
Major	1	0.21872	0.10545	2.07	0.0389
Nationality	1	0.17982	0.09590	1.88	0.0618
Internship	1	-0.13254	0.09599	-1.38	0.1684
CPA plan	1	0.10230	0.06156	1.66	0.0976
Career Interest	1	-0.03211	0.02787	-1.15	0.2502
Expected workplace	1	0.01149	0.02465	0.47	0.6414

Based on the statistics, the p-values of major, nationality, and CPA plan were < 0.1, so the influencing factors that determine student appreciation on IFRS education should be student major, student nationality, and student's plan regarding the CPA exam.

To test how the three factors affect student appreciation on IFRS education, means separation analysis was applied using the 'PROC GLM' within SAS. The results are provided in Table 4.

Table 4. means separation analysis of three influencing factors affecting student appreciation for IFRS education

Means with the same letter are not significantly different. (alpha = 0.1)					
Influencing Factor		Tukey Grouping		Mean	N
Major	Non-Accounting	A		1.97183	71
	Accounting	B		1.79747	237
Nationality	Domestic	A		1.89423	208
	International	B		1.72000	100
CPA Exam Plan	Without		A	2.0758	66
	Not Sure	B	A	1.8833	60
	With	B		1.7363	182

From the means separation analysis, conclusions can be drawn that there is a statistically significant difference between non-accounting and accounting students, domestic and international students, and students with the CPA exam plan and students with no CPA exam plan. Accounting students tend to think IFRS education is more important than non-accounting major students; international students tend to have greater appreciation for IFRS education than domestic students; students who plan to take the CPA exam tend to think IFRS education is more important than students without the CPA exam plan. These results support the regression model outcomes.

3.2 Student Satisfaction About IFRS Education

In the survey, students were asked whether they think their school is doing a good job of educating students about IFRS. Students' average rating was 2.37, falling into the range of "agree" and "neutral" (Table 5).

Table 5. student satisfaction about IFRS education at their university

I think my school is doing a good job of educating students about IFRS: Rating Scale (Strongly Agree =1, Agree, Neutral, Disagree, Strongly Disagree = 5)		
	N	%
Strongly agree	42	13.3
Agree	155	49.1
Neutral	85	26.9
Disagree	29	9.2
Strongly disagree	5	1.6
Average Rating	2.37	

When asked about the coverage of IFRS in specific courses, the majority of respondents (86.8%) referred to Intermediate Accounting, followed by Introductory Accounting (43.8%), Advanced Accounting (27.8%), and other courses (10.7%) (Table 2). Respondents were allowed to identify more than one course and specify a course if the course was not listed. The results are consistent with the 2012 research finding of Bandyopadhyay and McGee, that in most universities, the new material (IFRS) was or would be covered in an Intermediate Accounting course which was still the major course for student to get IFRS education ⁸.

The top three courses of "Other Courses" specified by the respondents in which IFRS has been discussed are: International Accounting (2.8%), Auditing (2.8%), and Cost Management Accounting (2.5%). The other resources from which the respondents has heard about IFRS include company presentation, global academic seminar, and study abroad program. The results also show that students who have taken a separate international accounting course offered by their school tend to be most satisfied with the school's IFRS education, 88.9 % of whom "strongly agree" or "agree" that their university is doing a good job of educating students about IFRS. The topics covered by the international accounting course are quite varied including financial accounting transactions, managerial issues of control evaluation, transfer pricing, auditing issues, systems and tax considerations are covered by the international. International financial reporting (under IFRS) has usually been a major aspect of the course ⁹.

The survey was conducted at Purdue University, University of Colorado, Weber State University, and Louisiana State University. All four universities offer a separate international accounting course with slightly different approaches. The survey results indicate that 81% of the students knowing their school offers an IFRS/ international accounting course have already taken or plan to take it, showing that students have needs or interests in getting IFRS education. However, Table 6 clearly indicates that there is a communication disconnect between school faculties/IFRS educators and the students. Less than half of the respondents (46.2%) know that their university offers a separate course on IFRS/International Accounting. 9.5% of the students indicate their university does not offer a separate course on IFRS/International Accounting and 44.3% of the students do not know whether a separate IFRS/International Accounting course is provided or not.

Table 6. student knowledge of IFRS/international accounting course offered by their universities

My university offers a separate course on IFRS/ International Accounting:		
	N	%
Yes	146	46.2
No	30	9.5
Don't know	140	44.3

In addition, Table 7 shows that about one third of the students were not sure whether or not they would take the IFRS/international accounting course, which suggests there is high potential that students would take the course if IFRS had been effectively promoted at their schools. So, universities need to work on better communicating their IFRS education resources, especially if they are offering a separate IFRS/international accounting course, to students, at least to let students know if a separate international accounting course is provided.

Table 7. student plan on taking the IFRS/ international accounting course

I have taken or plan to take the IFRS/ International Accounting class provided by my university:		
	N	%
Yes	126	39.
No	77	24.3
Don't know	106	33.4
Not applicable/ My university does not offer the course	8	2.5

3.3 Student IFRS Knowledge And Skills

Respondents were presented with a list of the top 11 IFRS competencies (Table 16) that employers expect students to know ¹⁰, and were asked to choose all the IFRS knowledge and skill they feel they have acquired. Table 13 summarizes students' IFRS knowledge and skills.

PricewaterhouseCoopers has specified IFRS-awareness levels for their new recruits starting fall 2009. Accounting students interviewing for full-time positions or internships are expected to: (a) discuss the importance of IFRS in the future, (b) describe the current status of IFRS in the U.S., (c) articulate the international standards setting process, (d) discuss the nature of IFRS-based financial statements, and (e) provide an example of an IFRS-U.S. GAAP difference ¹¹. These expectations match with the IFRS knowledge and skills (1), (2), (3) and (4) in Table 8.

Table 8. student IFRS knowledge and skills

IFRS Knowledge and Skills	%	Respondent Rank*	Employer Rank**
(1) Define the term IFRS	75.7	1	3
(2) Compare and contrast IFRS & US GAAP	64.5	2	4
(3) Describe the differences between principles-based and rules-based	57.2	3	2
(4) Describe the current status of IFRS	49	4	1
(5) Read and comprehend IFRS-based financials	32.2	5	5
(6) Explain the standard setting process for IFRS	21.4	6	10
(7) Analyze IFRS-based financial statements	21.1	7	7
(8) Apply IFRS in recording business transactions	20.1	8	6
(9) Use professional judgment in applying IFRS	17.1	9	8
(10) Reconcile IFRS with US GAAP-based financials	16.8	10	9
(11) Prepare financial statements under IFRS	15.5	11	11

*Respondent Rank is based on the percentage of respondents reporting the relative IFRS knowledge and skills.

**Employer Rank is based on the rated importance of IFRS knowledge and skills by employers ¹².

Although “Define the term IFRS” was ranked by the respondents as the top knowledge or skill that they had acquired, the percentage of the students who were able to “Define the term IFRS” is still much lower than expected. According to Dr. Hinson’s study, the employers specifically within one of the Big Four accounting firms expect students who have had a principle’s or accounting course to be able to display knowledge of what IFRS stands for and that the IASB governs these standards ¹³. Since all the respondents were taking or had already completed an introductory accounting course, they were all expected to be able to “define the term IFRS”. However, the results indicate only 76% of the respondent could define “IFRS”. In addition, students who have had an intermediate accounting course were expected to be able to list differences between IFRS and GAAP ¹⁴. However, among the 86.8% of the respondents who stated that IFRS had been discussed in their intermediate accounting class, only 57.5% of the students reported being able to “describe the differences between principles-based and rules-based, and 66.5% of the students reported the ability to “compare and contrast IFRS & US GAAP”. According to Professor Troy Janes who taught Intermediate Accounting I at Purdue University in fall 2013, he expected all his students to have acquired at least IFRS knowledge/skill (1) to (4) from his class ¹⁵.

Based on the findings about student IFRS knowledge and skills, there is clearly a gap between students’ actual knowledge level of IFRS and employer/educator expectations.

3.4 Student Preferred Strategies For IFRS Education

The last research question concerns the strategy for future development of IFRS education. The primary focus of this research question was on student perspectives. As indicated by the very small percentage of respondents answering “Other”, the strategies listed in Table 9 represent a substantial portion of the specific ways currently being used to develop IFRS education. Respondents were asked to provide their most preferred strategy of incorporating IFRS education, but they were also given the option of “I don’t want to get more IFRS education”.

Table 9. student preferred strategy of incorporating IFRS education

Preferred Strategy of Incorporating IFRS Education	%	Rank*
In-class adjustment (Professors or instructors introduce IFRS information in my current accounting classes.)	51.9	1
Curricular change (A separate IFRS/ International Accounting courses should be offered.)	34.5	2
Encouraging students to use outside resources (e.g. the on-line IFRS education provided by the Big Four)	10.4	3
I don't want to get more IFRS education	2.8	4
Other	0.3	5

*Rank is based on the percentage of respondents reporting their preferred strategy of incorporating IFRS education.

As reported in the table, students ranked “In-class adjustment (Professors or instructors introduce IFRS information in my current accounting classes)” as the most preferred strategy of incorporating IFRS education. The result is consistent with the survey results that 98.4% of the respondents have learned about IFRS in their accounting courses especially intermediate accounting (86.8%). However, according to a 2009 study conducted by McGee and Bandyopadhyay on thirty-seven top ranked and American Association to Advance Collegiate Schools of Business (AACSB) accredited accounting programs in the U.S., there is a concern about the “In-class adjustment” strategy, that discussing IFRS in intermediate accounting courses means more pressure on faculty or cover additional complex material in these already comprehensive accounting course ¹⁶.

The second most preferred strategy is “Curricular change (A separate IFRS/ International Accounting courses should be offered)”. However, among the respondents who chose this strategy, only 42.2% of them were aware of the fact that a separate course on IFRS/ International Accounting is offered by their university. This indicates a communication disconnect between university faculties/IFRS educators and students in promoting IFRS education at the universities. This communication disconnect has also been shown among the students who chose “In-class adjustment” strategy, 46.6% of whom did not know whether a separate course on IFRS/ International Accounting is offered and 8.6% of whom mistakenly thought their university did not offer a separate course on IFRS/ International Accounting.

Respondents ranked “Encouraging students to use more outside resources (e.g. the online IFRS education provided by Big Four)” as the third preferred strategy of incorporating IFRS education. Compared to the top 2 on the list which are the strategies already undertaken by most of the universities, this is still a relatively new strategy for universities. “I don't want to get more IFRS education” was rated fairly low (2.8% with the frequency of 9 respondents).

4. Conclusions and Recommendations:

This research contributes to exploring student perspectives on IFRS education by studying: (1) Student Appreciation for IFRS Education, (2) Student Satisfaction with IFRS Education, (3) Student Perspective on IFRS Adoption, (4) Student IFRS Knowledge and Skills, and (5) Student Preferred Strategies for IFRS Education.

There is a great deal of agreement among business majors especially accounting students about the importance of IFRS education at the universities. Student major, student nationality, and student CPA exam plan are identified as the most influencing factors, among all the potential factors affecting student appreciation for IFRS education.

From examining the influence of student education level on student appreciation for IFRS education, an inconsistency problem was identified with the current IFRS education at the universities. At the undergraduate level, juniors have the greatest appreciation for IFRS education mainly because they have already completed or are currently taking an intermediate accounting course where IFRS materials are discussed the most. Universities could increase their coverage of IFRS in other existing accounting courses. This will help students at different levels have fresh memories about IFRS so that they would appreciate IFRS education more.

The findings also show that a communication disconnect exists between university faculties/IFRS educators and students. Students were not aware of the IFRS education resources provided by their universities. Specifically, many students do not know whether their universities offer a separate IFRS/international accounting course, or mistakenly think their universities do not provide such a course. To address the communication disconnect, universities could

request all the accounting educators to promote IFRS resources provided by the universities, for example, to encourage students to further explore IFRS by taking a higher-level IFRS/international accounting course.

It is clear that, if the U.S. were to move to IFRS, a substantial investment in human capital will be required in the industry¹⁷. The U.S. universities would certainly put more effort to address IFRS education. However, with the background of business globalization, as well as student demonstrated needs and interests for IFRS education, regardless whether or not IFRS will finally be adopted in the U.S., universities should address the importance of IFRS education.

Furthermore, there is clearly a gap between student actual IFRS knowledge/Skills and employer/educator expectations. With current accounting education, many students have not gained a solid foundation of the entry-level IFRS knowledge and skills that meet the expectations of educators and employers. Although many universities have already incorporated IFRS education into the existing accounting curriculum, mostly into the intermediate accounting courses, due to the fact that there is little room for additional materials before considering IFRS materials in these courses, the effectiveness of such IFRS coverage is questionable. So, a more effective way to provide more IFRS education would be offering a separate IFRS/international accounting course. Many universities provide a separate IFRS/international accounting course at graduate level or put the course into the elective category for undergraduates. To increase student IFRS knowledge/skills, universities could consider offering IFRS/international accounting as a required course at the undergraduate level. Also, there are many other great sources outside of universities, for example, the online IFRS education provided by the Big Four accounting firms. These resources should be effectively promoted to both students and educators at universities.

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