

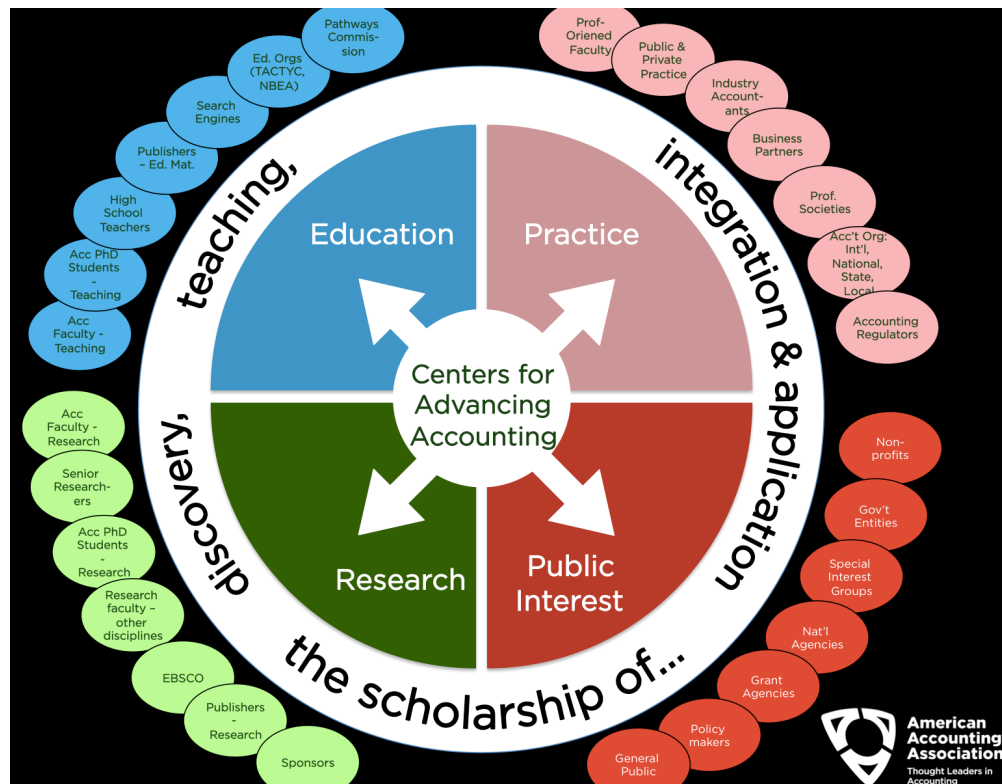
# The AAA Centers for Advancing Accounting

## Introduction

The American Accounting Association's vision is to be an organization of Global Thought Leaders in Accounting. This goal is already supported by its strong Sections, focusing scholarly efforts in accounting domain-related areas such as tax, managerial, and financial accounting, and Regions which enable colleagues to gather more locally and to focus on sharing research, educational efforts, and faculty development.

## The Centers Concept

As our Centennial approaches, the Board and Council, along with over 50 members and non-members, have spent almost three years studying the dramatic changes underway in higher education and the accounting profession, the impact that these changes will have on faculty, and the opportunities for the Association to transform itself to support both society and members in the new environment. The result of these efforts is a plan to enhance the AAA's organizational structure with four interrelated Centers to Advance Accounting, as shown here:



This figure highlights several key features of the Centers design:

- 1) Each Center has primary responsibility for a group of constituents, represented as ovals outside of the Centers. With this focus, Center directors will be charged with understanding the constituents' needs and developing products and/or services to meet

their needs. Additionally, everyone within the accounting profession – including society at large – will have a clear entry into the AAA. Individuals will be encouraged to contact their Center representative, and then the Center can identify the appropriate way to forward the request, if necessary. As such, individuals will have access to the AAA overall (all of the Centers, Sections and Regions), but will have a “concierge” experience throughout the interaction.

- 2) The Centers will all be capitalizing on the academy’s core competency: scholarship. The AAA members create a wide range of knowledge, and the scholarship circle reflects that the Centers will encourage the broad range of work, and concentrate the voice of our members by sharing their work with a broader community.
- 3) The four Centers will advance accounting by focusing on one key aspect of the profession, thus supporting the vision of accounting as a learned profession. The Centers will focus on Advancing Accounting through Research, Education, Practice, and the Public Interest. The breadth of focus will encourage interaction between scholars, both in accounting and in other disciplines, those practicing accounting in business (including corporate and governmental environments, and public accounting) and will encourage the academy to engage in conversations that have societal implications, applying our accounting knowledge to critical situations that emerge globally.
- 4) The circle and arrows in the middle of the diagram represent the interconnected nature of the Centers. It is clear that research will be created by scholars and shared with those who can benefit from it: other scholars, professionals and even individuals. Similarly, insights learned through interacting the practice and the public will guide the development of educational materials that can enhance our learning environments.

## The Centers Structure

The Centers will require both significant member involvement to understand and meet the needs of the Center’s constituents and dedicated professional staff who have the long-term responsibility for continuity and success. Therefore, each Center will be led by a Center Director (professional staff) who will partner with an advisory board of both academic and professional leaders who have expertise that can support each Center. Although there will be flexibility, it is envisioned that each Advisory Board will have approximately 8 members who will select one member as their Chair.

The Advisory Boards will meet in person at least once per year (all Boards meeting simultaneously for overall strategic discussions – and with time and space for break outs for more focused work), and it is expected that they will have at least quarterly conference calls. The Board chair will work more closely with the Center Director on the Center’s major initiatives.

The following sections provide an overview of each of the Centers being created.

## The Center for Advancing Accounting Education

### Purpose

The Center for Advancing Accounting Education will facilitate AAA, its members, and the accounting academy at large to continuously improve learning and teaching experiences. It will support members to innovate, develop, share, and evaluate educational resources by increasing the venues for the learning and sharing of best teaching practices. It will develop capabilities to enable collaboration between colleagues to enhance their teaching effectiveness while simultaneously reducing the costs of adopting new materials. It also will lead efforts to develop effective approaches and measures for evaluating teaching effectiveness.

This Center will focus on meeting the needs of those involved with teaching and learning accounting, including faculty in teaching higher education classes (in a wide range of locations), partners in the educational supply chain such as publishers, and other organizations focused on higher education such as TACTYC and NBEA.

### Goals

- Incentives are widely adopted that recognize and reward the contribution of teaching- and learning-related activities
- Educational efforts can be credibly evaluated, including efforts such as developing peer review of all types of faculty intellectual output, including teaching and educational materials
- Faculty development is available throughout members' careers
- Members view the AAA as the "go-to" home of knowledge about how to be efficient and effective educators
- The AAA is the recognized home for high quality data about accounting programs, curricula, and courses
- Productive, collaborative relationships are established or enhanced with educational and professional organizations both within accounting and across disciplines

### Background

Accounting education and higher education are changing rapidly, and many universities are facing significant challenges that threaten their futures. Currently there are impediments to changing the higher educational environment including a lack of reliable, and integrated data about the environment, the realization that faculty responsibilities are expanding, leaving less time to focus on teaching activities, and incentive structures that often don't encourage innovation in education. The Center for the Advancement of Accounting Education will enable the AAA to take a leadership role in the development and dissemination of new ideas for addressing the challenges arising in the evolving landscape of accounting education with the goals of making all faculty more effective in their teaching activities and recognizing efforts and leadership

from members involved in the Center. It will host a repository for data about accounting education, support the curation of high quality educational resources, build parameters for the peer review of educational materials and activities, and become a home for initiatives to both improve and evaluate teaching efforts.

The Center's activities will leverage efforts across Segments by both investing in shared resources and coordinating efforts related to education, thus enabling AAA members to take a leadership role within the academy and successfully meet the challenges facing accounting education. In addition, faculty will be able to scaffold up their expertise in teaching and learning, while continuing to develop professionally.

### **Member Benefits**

The Center will obtain and sustain the collective expertise and experience of the most highly qualified accounting faculty globally. It will be a one-stop experience for faculty and others that seek information about a myriad of teaching and assessment topics and techniques. It will coordinate AAA members testing and refining of education materials as they experiment in a variety of educational venues. Members are successful in their teaching efforts and become thought leaders on their campuses on creating effective learning environments.

### **Possible Projects**

- Overarching
  - Curated Accounting Education Resource Repository: This site, and the staff hired to actively manage it, will enable the Center to collect and curate teaching, learning and assessment resources; apply AAA's peer review expertise; disclose user ratings – and other emerging metrics to assess impact; bundle AAA intellectual property (such as articles, meeting sessions, webinars, etc.) into course materials; and grant certificates of quality
- Understand higher education
  - Collect and disseminate data about higher education, accounting programs, faculty
- Encourage high quality teaching/learning efforts to help members adapt to the changing environment
  - Offer short courses on best practices in teaching
  - Offer boot camps to efficiently bring emerging practices in accounting into the curriculum
  - Offer doctoral webinars on teaching
  - Support Assessment of Learning efforts
  - Develop best practices for faculty portfolio development and review
  - Competency-based exams for accounting courses developed
  - Endowment established for Teaching Scholars at the Center

- Master Teacher Certificates developed (building on an idea for creating a certificate for professionally-oriented teachers – non-tenure-track – that’s been floating around for a while).
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- Recognize high quality teaching/learning efforts
  - Home for the Michael J and Mary Anne Cook Prize
  - Host competitions for teaching innovations
- Encourage the scholarship of teaching
  - Fund cross-sectional education research
  - Re-purpose materials (recombine resources to create new packages of content) to make consumption more effective
- Provide opportunities for member engagement and recognition
  - Sponsor teaching scholars at the Center
  - Resident teaching scholar program

## Outcomes

- Elevate the role of teaching within higher education, demonstrated by the adoption of teaching portfolios and the inclusion of the scholarship of teaching results in promotion and evaluation processes.
- Financially sustainable: Revenues from programs and resources are sufficient to offset the Center’s costs.

## Center for the Advancement of Accounting in Research

### Purpose

The purpose of this Center is to engage scholars with broad diversity in perspectives to identify and promote new ways of understanding accounting and its role in society. Broad diversity in perspectives will be achieved by involving members across Segments, standard setters, practitioners, other groups and individuals impacted by accounting, along with bridging to non-accounting researchers who can provide unique perspectives and expertise. We believe the ideas stemming from the Center will create new, productive avenues for accounting scholarship, strengthen the value proposition of accounting scholarship, and support the achievement of AAA's mission of being the thought leaders in accounting. By exploring innovative research questions and methods, the Center will support those who take the risk to be innovative.

This Center will be focused on supporting the scholarly research community including those who perform research, both in accounting and in other disciplines, and the organizations that actively participate in the research "supply chain" from funding through its dissemination. Bringing together diverse perspectives on research can inform the community and spark new ideas, enabling high quality work to be created and shared effectively.

### Goals

- Engage diversity in thought to reimagine business issues and the role of accounting in decision making and resource allocation
- Enable the creation and dissemination of insightful research
- Support PhD Student research, enabling their education, innovation and collaboration within the academy
- Support faculty throughout their careers to continuously improve their evolving research skills and impact
- Facilitate research funding initiatives
- Take a leadership role in the development of relevant impact metrics and infrastructure to evaluate research, broadly defined
- Stimulate risk taking to explore the research frontiers

### Background

Accounting, as a research discipline, is young in comparison to many of the scholarly areas within universities. During the past 30 years, it has matured significantly, simultaneously embracing more rigorous scientific techniques, and developing in depth knowledge in many sub-disciplines within accounting. That said, in the absence of active intervention, there is a natural tendency for scholars to specialize and scholarship to become incremental. This natural tendency is amplified by institutional factors related to the manuscript review process, as well as faculty review, promotion, and tenure. For example, the examination of big questions in the

social sciences often engenders significant research challenges (e.g. construct measurement issues) that run counter to many academics' preference for tight research designs and seeming rigor, and can constrain the production of convincing evidence. This increases the uncertainty of benefits accruing from the production of innovative scholarship. The intellectual cost of production is also perceived to be higher, and traditional doctoral education does not typically prepare students to engage in innovative scholarship. Research in specialized areas is valuable, and the AAA and its Sections are growing and sustaining a unique journal collection providing value to members, the organization, and society. Incremental research is valuable as well, but alone is insufficient to substantially advance the field. The AAA is uniquely positioned to develop a forum to counteract the impact of these forces."

We believe this Center is well-timed given strong predictions for change in business school research. The May/June 2014 issue of BizEd, a publication of the AACSB, termed it a "research revolution", predicting that "how research is selected, conducted and accessed could all be heading for a change" (Sharon Shinn, "Research Revolution," BizEd, May/June 2014, page 18). New AACSB standards effective in 2014 are designed to change how business school research is motivated and measured. As Robert S. Sullivan, dean at UC San Diego, noted in the same BizEd issue, "...the new standards will encourage faculty to conduct expanded types of research and publish it in broader outlets. . .There's [also] a third piece to the new standards that might be even more important in determining what kind of research is conducted and how it is recognized, and that's impact. We must now question how we measure the impact of research. . . In the past we've relied mostly on citations and counts to document impact, but it's always been difficult to measure. . .I think deans and faculty are going to give a lot of thought to who benefits from what we do." (Robert Sullivan, "The Future of Scholarship," BizEd, May/June 2014, page 19-20). What discipline would be better than accounting at developing truly meaningful metrics and understanding and emphasizing the strengths and weaknesses of various metrics for measuring impact?

### **Member Benefits**

The Center will engage the collective expertise and experience of the most highly qualified research faculty globally – both from within the accounting community and from other disciplines when knowledge transfer can further strengthen the accounting literature. Research faculty will have additional opportunities to collaborate on efforts to explore critical questions while refining their research methods. Members will be introduced to new methodologies, with opportunities to efficiently gain expertise in how to use them.

### **Possible Projects**

- High Impact Research Conference: These conferences will bring together leading scholars and experts from practice to explore an emerging issue and to develop a research program including follow up activities such as special issues in AAA journals, and offering opportunities for funding research efforts.
- Enable global transmission of our best research: Conduct Ted-style talks about accounting research and have the sessions videotaped and made available.

- Host research retreats designed to introduce a new critical issue or research methodology to the accounting community. Attendees would include experts in the topic, scholars from a range of disciplines and leaders from practice who have expertise in the topic.
- Evaluate potential data projects:
  - Determine the opportunities to expand the scope of what constitutes a “publication,” such as evaluating the opportunities and risks of “publishing” data sets for authors
  - Determine whether the AAA could create and/or disseminate proprietary data sets to increase the availability of quality data throughout the academy
  - Define relevant impact metrics to evaluate research, broadly defined, and implement the infrastructure necessary to collect and disseminate them

### Outcomes

- Members refine and expand their research skills
- Accounting research becomes more connected and interdisciplinary – adopting work from other disciplines and being recognized by scholars in other disciplines
- Measures of research impact are developed, disseminated globally, and adopted by accounting faculty (demonstrating global thought leadership within the broad academy)
- Financially sustainable



## Center for Advancing Accounting in Practice

### Purpose

The objective of the Center for Advancing Accounting in Practice is to support accounting's evolution to becoming a learned profession. It will magnify, further develop, and broaden the bridge between the accounting academy and the business community through the purposeful integration of accounting research, education and practice. The Center will also forge and sustain relationships within global professional communities, which is a key element of AAA's vision to be global thought leaders in accounting.

This Center will be the profession's portal into the academy. It will focus on understanding the needs of professional accountants, broadly defined, working with individuals in public, private and industry accounting roles, their professional societies, and accounting regulators. Additionally, professionally oriented faculty will be encouraged play a key role in this Center as their experiences enable them to bridge between the academic and professional communities; their participation should also strengthen their qualifications, thus supporting their School's objectives.

### Goals

- Actively seek to lead thought in the accounting profession, defined broadly and globally
- Serve as a conduit for informing academe about emerging questions in practice
- Expand opportunities for rich, two-way communication between academics and business leaders, resulting in collaborative efforts joint workto understand and solve critical business issues
- Support efforts to provide access to data and subjects
- Support the dissemination of academic research to the business community in formats that are timely and structured to emphasize the relevance of research results to business issues
- Support practice-relevant academic research via funding, and possibly by serving as a clearinghouse for human subject research and/or a source of data for such research
- Strengthen and broaden ties between the AAA and business-oriented organizations such as the AICPA, ACFE, Business Roundtable, CFA Institute, FEI, IFAC, IIA, IMA, NACVA, NASBA, TEI, etc.
- Work with the Center for Advancing Accounting Education to create opportunities for students to learn about practice

### Background

In learned professions (e.g. medicine, law, clergy, engineering, and accounting) academics and practitioners work closely together to solve problems of relevance to practice and serve the public good. We desire to work together with the community as evidenced by existing relationships between the academy and regulators such as the FASB, PCAOB, SEC and IASB. For example, on October 27, 2014, the PCAOB Center for Economic Analysis, announced its first annual economic conference on Auditing and Capital Markets held in conjunction with the

*Journal of Accounting Research* and each year the FASB hosts the Financial Reporting Issues Conference, the purpose of which is “to bring together academics, standard setters, auditors, regulators, financial statement users, and preparers to discuss initiatives to improve financial reporting.” With member expertise in many deep-disciplinary domains, opportunities to build on existing relationships, and develop new ones, abound.

### **Member and Business Leader Benefits**

Members engaging in Center activities will achieve personal satisfaction and career success through enhanced relevance in teaching and research impact on business. Members will also benefit from enhanced opportunities to engage with business leaders to understand business problems. Business leaders will benefit from a centralized touch point to access AAA members and research via the Center. Business leaders will also be enriched by enhanced exposure to relevant academic research and greater opportunities to engage with the academic community.

### **Possible Projects**

- Special topic meetings with academic and professional attendees to focus on emerging issues to the profession. Outputs could include white papers, educational materials for classroom adoption, journal articles, videos, etc.
  - These meetings could involve identification of an issue that would benefit from thought leadership, bringing together teams of academics from research communities with differing opinions/findings about best practices for addressing the key issue. Business leaders related to the key area could then be invited to come for a very high-level analysis of insightful ways to look at the situation, and have the chance to ask questions, and possibly to meet further with some team/s.
  - As an example – an issue related to fraud might be identified and research community teams from forensics, auditing, financial reporting, COSO, etc. might come together to provide very high-level point/counterpoint presentations from across a range of perspectives. So that research communities that rarely interact could all contribute to understandings of business leaders in a more integrated – and likely sometimes more challenging - way (rather than them trying to seek out someone who knows about the single thing they are interested in today – a more consulting type of relationship).
  - A goal would be to amplify understandings that come from our deep disciplinary silos, and smaller research “family” communities. An additional benefit would be academics hearing each other’s points of view in that setting.
- A new channel/outlet for applied research and conversations between practice and the academy. This could be a printed magazine, a new online repository, a journal with a different target audience, or some combination of these.
- Work with the FEI, CAQ and other professional organizations to extend access to research subjects from the accounting profession, broadly defined.
- Evaluate opportunities to develop data sources for academic research.

## Outcomes

- Members of practice read our research through the channel that is designed for them
- Center-affiliated meetings have significant practice attendance
- Accounting is recognized as a learned profession
- Financially sustainable operations

## Center for Advancing Accounting in the Public Interest

### Purpose

The Center for the Advancement of Accounting in the Public Interest will engage accounting scholars (along with scholars from other disciplines and other like-minded organizations) in informing the debate surrounding societal issues that, although outside of the accounting profession, can be informed by accounting knowledge. Therefore, this Center's efforts will be focused on identifying key issues that have both the potential to contribute to society and for which the accounting academy has knowledge that is relevant to thoughtfully addressing the issue (such as evaluating the national debt or better understanding the financial pressures facing universities and colleges). Once identified, the Center will marshal the resources to join the discussion in a meaningful way. Through activities such as conferences, white papers, scholarly publications, and participating in other organizations, it will amplify member expertise and integrate Segments efforts to give the AAA a public voice on such significant, interdisciplinary issues, thus helping the AAA to achieve its mission and realize its vision to be global Thought Leaders in Accounting.

This Center will be focused on those outside of the accounting profession who are critically important to society, globally, including governmental entities and policy makers, non-profit and grant agencies, and individual citizens. It will identify issues critical to these entities that can be informed through accounting scholarship, encourage and support the execution of research to inform the discussions, and disseminate the findings using means appropriate to reach the target audience(s).

### Goals

- Educate and inform the public so they are able to make higher quality decisions with an understanding of their financial implications
- Support the production and dissemination of high-quality, independent research that can inform the debate surrounding public policy issues and provide practical recommendations that can be implemented, and to concentrate outreach efforts to enhance the AAA's impact
- Expand the limited voice AAA members have on issues of direct concern to their professional lives such as legislation that impacts higher education
- Work with the AAA's Advocacy Committee to develop advocacy positions with respect to issues of direct concern to the AAA and its members
- Provide opportunities for the AAA and its members to engage in significant collaboration with other nonprofits in related fields and with scholars outside of the realm of accounting

### Background

In the United States, and in many other countries, society has explicitly legislated that accounting is a profession with a critical role in our financial system, and the growing dissemination of the Pathways Vision Model recognizes that accounting, globally, contributes to a prosperous society. Given the accounting profession's responsibility to society, this Center will focus its efforts on supporting the development of research and educational materials to enable members to play an active role in informing discussions with critical challenges facing society.

The Center's strength will be drawn from members of the AAA who possess unique knowledge and skills to engage in research that could inform and enrich the discussion and analysis of critical long-term public policy issues facing society. By providing a mechanism to focus efforts and amplify the dissemination of member work, the Center will be a critical intermediary between individuals with expertise to share and individuals in society who will be more successful in solving problems from a personal, corporate and governmental level. Thus, the Center for Advancing Accounting in the Public Interest will be uniquely positioned to elevate the extent to which debates surrounding societal financial and business issues are informed and resolved. The Center will also facilitate collaboration with other accounting advocacy groups (e.g., the AICPA, Fix the Debt.org) and professional organizations (e.g., the Washington, D.C. national practice offices of international accounting firms).

The Center will advance the AAA in terms of the shared characteristics of high-impact nonprofits (organizations that advocate and serve). Through advocacy positions on issues of direct concern to the AAA and its members, the Center will provide the Association and its members a concentrated voice on important issues of concern such as proposed legislation impacting higher education. Advocacy positions developed by the Center would be submitted to the Council Advocacy Committee for approval. Segments efforts to respond to regulators' requests for input on proposed regulatory changes have been successful and such activities would remain within the Segments although the Center could play a supportive role at the request of Segments. Further, to the extent regulatory requests are presently unaddressed due to Segment-level constraints, the Center would work actively with the appropriate Segments to initiate and sustain such effort.

### **Member Benefits**

The Center's professional staff will undertake outreach efforts that will benefit members both by making members aware of issues that are emerging as critical to national and global conversations and by disseminating members' efforts in a manner that will amplify the impact of their work.

Members engaging in Center activities will achieve personal satisfaction by exerting greater influence over a broader and more comprehensive set of issues facing society and in so doing, the AAA could play a critical role in enhancing the virtuous cycle between accounting and a prosperous society.

### **Possible Projects**

- **Comprehensive Advocacy Efforts:** Identify focused areas that can benefit from knowledge in accounting, concentrated research efforts, and the development of materials that can inform the debate, such as the national debt crisis. Efforts would include hosting a meeting to initiate the discussions and/or disseminate findings, the development and dissemination of white papers, participation in the legislative process, and the creation and dissemination of educational materials to help our members bring the societal issue and accounting concepts to our their classrooms.
- **ThisIsAccounting.org:** Develop a website and all related materials that can educate individuals (from school children through adults) about the basic accounting concepts and how they can be applied in situations ranging from individual to business to government. This will be patterned after Code.org which has introduced over 42 million individuals to coding practices, connecting with the Pathways Vision Model (the "blue picture" found at <http://commons.aahq.org/hives/a943df3efc/summary> ).

- Work with the FEI, IMA, the CAQ, and other professional organizations to extend access research subjects from the accounting profession, broadly defined. Consider becoming a source for research data via subscription opportunities or data warehousing.

### Outcomes

- Center meetings provide a forum for our members to better understand critical issues – and they participate in the discussions with other organizations
- The Center’s work is recognized, valued and used by the media and the Center’s constituents
- AAA members are recognized for their contributions to societal debates
- Individuals recognize the value of accounting to society
- Grant funding and/or sponsorship supports the Center’s efforts