Entry-Level Recruitment of Accounting Graduates: 
Employers’ Expectations of Ethics Education

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Abstract

During the last two decades, the accounting profession has witnessed many corporate scandals and, as a result, the ethical standards of accountants have been criticized and questioned. While there are many studies focussing on perceptions about ethics, ethics education and the ethical development of business students and academics, there are few studies available on ethics education and its relationship with recruitment and employment, especially in Hong Kong.

The purposes of this study are twofold: to investigate whether the coverage of ethics in accounting curricula is an important factor affecting the recruiting of entry-level accountants; and to examine if there is a gap between accountants’ expectations and the coverage of ethics in the education of accountants.

Both qualitative and quantitative methods were used to collect the data. An analysis of the relevant documents (syllabi and codes of ethics) was conducted to generate and group appropriate items that represent ethics themes. This led to seventeen themes such as integrity, conflict of interest, ethics theories, and resolving ethical dilemma. Using inputs from the qualitative study and relevant literature, a questionnaire was framed for the quantitative phase of the study.
An empirical analysis of data collected from 164 professional accountants revealed significant differences between male and female accountants with regard to the importance of ethics coverage in accounting curricula and its connection with the recruitment of entry-level accountants, but there were no significant differences with respect to age, firm type, firm size and ordinary work location. In ethics education of accountants, the themes of integrity, independence, corruption and insider trading should be given more importance than what they are getting at present. Four categories emerge for the ethics themes related to education in accounting: “Integrity to Accounting Profession”, “Regulatory Compliance”, “Practical Ethical Issues” and “Sense of Responsibility” (least important).

The results reveal there are gaps between ethics education and accountants’ expectations. Accounting educators, accountants and the accounting professional associations should work together to bridge this gap and contribute to a more effective ethics education for accountants in Hong Kong.