The Role of Tacit Knowledge in Auditor Expertise and Human Capital Development

Jasmijn C. Bol, *Tulane University*
Cassandra Estep, *Emory University*
Frank Moers, *Maastricht University*
Mark E. Peecher, *University of Illinois at Urbana-Champaign*

Study Materials

<u>Study 1</u>
As the data was collected from a mid-sized European firm, the original version is written in Dutch. Thus, Part 1 captures the screenshots of the Dutch version. Part 2 provides the English translation of the survey.

Study 1 – Part 1: Dutch version screenshots…….……..….Pages 1 – 16

Study 1 – Part 2: English translation…….…….Pages 17 – 38

<u>Study 2 – Round 1</u>
This survey contained three parts as listed below. Data from Round 1, Part 2 is used to provide initial measures of tacit knowledge in Study 2 in order to calculate the change in tacit knowledge. The College Life Questionnaire (designed to measure tacit knowledge of college students) was also included in Round 1, Part 2 of this survey, however as our participants were no longer college students in Round 2 of the survey, those questions were excluded in Round 2.

Study 2 – Round 1, Part 1: General Information……Page 39 – 40

Study 2 – Round 1, Part 2: Survey……...……..…Pages 41 – 59
This part contains the tacit knowledge questions.

Study 2 – Round 1, Part 3: Post-Survey Questions…….……...…Pages 60 – 61

<u>Study 2 – Round 2</u>
This survey contained four parts (listed below) and only data collected in Parts 1, 3, and 4 is used in the current study. None of the data collected in Part 2 is included in the current study. Part 2 data was collected for a separate study.

Study 2 – Round 2, Part 1: General information……..…….Pages 62 – 64

Study 2 – Round 2, Part 2: Audit Task……..…….Pages 65 – 71
Note: Part 2 includes information that varied depending on random assignment to one of three conditions (see p. 68 of this document). As noted in a footnote of the study, results are robust to controlling for manipulated conditions.

Study 2 – Round 2, Part 3: Accounting Situations…….….Pages 72 – 81
Note: This part contains the tacit knowledge questions.

Study 2 – Round 2, Part 4: Work Experience…….….Pages 82 – 86

Study 1
Data Collection Instrument - Survey

qualtrics.com

Enquête

[Firm name]

Volgende Pagina

0% 100%

qualtrics.com

Deel 1: Algemene Informatie

Leeftijd

Hoe lang ben jij al werkzaam bij [firm name] *? (in maanden)*

Wat is jouw huidige functie binnen [firm name] *?*

Hoe lang ben jij al werkzaam in jouw huidige functie? (in maanden)

Heb jij nog andere functies binnen [firm name] *bekleed?*

Vorige Pagina Volgende Pagina

qualtrics.com

Geef voor de volgende acties aan hoe belangrijk zij zijn voor het vergroten van de kans op een succesvolle carrière in accountancy.

	Onbelangrijk <--------> Belangrijk						
	1.	2.	3.	4.	5.	6.	7.
Vermijd het bekritiseren van anderen tenzij je een alternatief kan bieden.	○	○	○	○	○	○	○
Vermijd het trekken van aandacht te allen tijde.	○	○	○	○	○	○	○
Spiegel jezelf aan een succesvolle leidinggevende.	○	○	○	○	○	○	○
Probeer mensen te ontmoeten die je carrière kunnen beïnvloeden.	○	○	○	○	○	○	○
Neem opdrachten aan die jouw werk (potentieel) onder de aandacht van bestuursleden kunnen brengen.	○	○	○	○	○	○	○
Probeer cliënten tevreden te stellen ook al zijn ze vervelend.	○	○	○	○	○	○	○
Neem verantwoordelijkheden aan die buiten jouw takenpakket vallen.	○	○	○	○	○	○	○
Maak je niet druk als je reputatie binnen de organisatie bergafwaarts gaat zolang jij maar weet dat je goed werk levert.	○	○	○	○	○	○	○
Kleed en gedraag je op een manier die past bij het imago van het bedrijf.	○	○	○	○	○	○	○
Besteed evenveel aandacht aan 'hoe' als aan 'wat' je presenteert.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Geef voor de volgende beweegreden aan hoe belangrijk zij voor jou waren om voor een carrière in accountancy te kiezen:

	Onbelangrijk <---------> Belangrijk						
	1.	2.	3.	4.	5.	6.	7.
Ik denk dat mijn kwaliteiten geschikt zijn voor deze carrière.	○	○	○	○	○	○	○
Ik houd er van om met mensen te werken.	○	○	○	○	○	○	○
Ik houd er van om een "team player" te zijn.	○	○	○	○	○	○	○
Ik wil graag veel geld verdienen.	○	○	○	○	○	○	○
Ik wil dingen op mijn eigen manier doen.	○	○	○	○	○	○	○
Ik houd er van om mensen te leiden.	○	○	○	○	○	○	○
Ik houd er van om mijn eigen baas te zijn.	○	○	○	○	○	○	○
Ik wil een baan die ik niet mee naar huis neem aan het einde van de dag.	○	○	○	○	○	○	○
Ik raak snel verveeld met routine werk.	○	○	○	○	○	○	○
Ik wil graag anderen leiden maar niet geleid worden.	○	○	○	○	○	○	○
Ik neem graag verantwoordelijkheid en houd van de macht die daarmee gepaard gaat.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Deel 2: Werkzaamheden

Hoeveel verschillende klanten bedien jij per jaar?

Welk percentage van de groep klanten die je bedient is

0 % Klein

0 % Midden

0 % Groot

Welk percentage van het type opdrachten dat jij verricht is

Zeer uitdagend	0
Uitdagend	0
Afwisselend	0
Routine	0
Niet uitdagend	0
Totaal	0

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Hoe uitdagend zijn jouw opdrachten in vergelijking met collega's op hetzelfde niveau (zelfde functie en vergelijkbare werkervaring)?

Veel minder uitdagend						Veel uitdagender
○	○	○	○	○	○	○

In hoeverre word jij door jouw leidinggevende vertrouwd met verantwoordelijkheden die normaliter alleen aan meer ervaren medewerkers worden toevertrouwd?

In zeer kleine mate						In zeer grote mate
○	○	○	○	○	○	○

Hoeveel verantwoordelijkheid krijg jij van jouw leidinggevende in vergelijking met collega's op hetzelfde niveau (zelfde functie en vergelijkbare ervaring)?

Veel minder						Veel meer
○	○	○	○	○	○	○

Ik bepaal zelf de volgorde waarin en de manier waarop ik mijn taken verricht.

In zeer kleine mate						In zeer grote mate
○	○	○	○	○	○	○

Ik bepaal zelf mijn werktempo.

In zeer kleine mate						In zeer grote mate
○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

qualtrics.com

[Firm name] stuurt regelmatig medewerkers naar hogescholen en universiteiten om potentiële medewerkers voor de samenstel en/of audit praktijk te werven. Geef voor de volgende karakteristieken aan hoe belangrijk ze zijn in het selecteren van potentiële medewerkers:

	Onbelangrijk <----------> Belangrijk						
	1.	2.	3.	4.	5.	6.	7.
Motivatie.	○	○	○	○	○	○	○
Prioriteiten kunnen stellen.	○	○	○	○	○	○	○
Detailgericht zijn.	○	○	○	○	○	○	○
Bekwaamheid om taken voort te zetten en af te ronden.	○	○	○	○	○	○	○
Gevarieerde interesses en hobby's.	○	○	○	○	○	○	○
Overtuigingskracht.	○	○	○	○	○	○	○
Schriftelijke vaardigheden.	○	○	○	○	○	○	○
Mondelinge vaardigheden.	○	○	○	○	○	○	○
Vermogen om vakliteratuur gemakkelijk te begrijpen.	○	○	○	○	○	○	○
Altijd willen winnen onafhankelijk van wat het kost.	○	○	○	○	○	○	○
Enthousiasme en het vermogen om je goed te verwoorden.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Er zijn verschillende factoren die bijdragen aan het creëren van een goede reputatie binnen een accountancy bedrijf. Geef voor de volgende factoren aan hoe belangrijk ze zijn:

	Onbelangrijk <----------> Belangrijk						
	1.	2.	3.	4.	5.	6.	7.
Vermogen om kritisch te denken.	○	○	○	○	○	○	○
Zichtbaarheid (d.w.z. bekend zijn binnen het bedrijf).	○	○	○	○	○	○	○
Spreekvaardigheid.	○	○	○	○	○	○	○
Actief zijn in de juiste clubs en verenigingen.	○	○	○	○	○	○	○
Kosten kunnen besparen en het kunnen innen van openstaande rekeningen.	○	○	○	○	○	○	○
De reputatie van de opleidingsinstituten waar je je opleiding hebt gevolgd.	○	○	○	○	○	○	○
Handelen op een zodanige manier dat fouten te allen tijde worden voorkomen.	○	○	○	○	○	○	○
Vermogen om met personeelsproblemen om te gaan.	○	○	○	○	○	○	○
Een standpunt in durven nemen wat betreft een accountancy kwestie ondanks bezwaren van de klant.	○	○	○	○	○	○	○
Medewerkers laten weten hoe ze hun prestaties kunnen verbeteren.	○	○	○	○	○	○	○
Een goed idee hebben van wat leidinggevenden belangrijk vinden.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Net zoals op andere vakgebieden zijn er op het gebied van accountancy vaak meerdere personen die bekend staan om hun buitengewoon goede werk. Geef voor de volgende karakteristieken aan in welke mate zij waarschijnlijk hebben bijgedragen aan het succes van deze personen:

	Weinig <----------> Veel						
	1.	2.	3.	4.	5.	6.	7.
Buitengewoon creatief.	○	○	○	○	○	○	○
Goed in het verkopen van zijn/haar ideeën aan anderen.	○	○	○	○	○	○	○
Sociaal vaardig.	○	○	○	○	○	○	○
Gedrevenheid om doelen te bereiken.	○	○	○	○	○	○	○
Zeer lange werkdagen.	○	○	○	○	○	○	○
Efficiënte werkgewoontes.	○	○	○	○	○	○	○
Geluk.	○	○	○	○	○	○	○
Bereidheid om substantiële risico's te nemen.	○	○	○	○	○	○	○
Machtswellustig.	○	○	○	○	○	○	○
Handelen in overeenstemming met de missie van het bedrijf.	○	○	○	○	○	○	○
Ongebruikelijk veel middelen tot zijn/haar beschikking hebben.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Deel 3: Beoordelings- en coachingscyclus

Mijn beoordelings- en/of POP-formulier biedt voldoende mogelijkheden om duidelijk aan te geven wat mijn doorgroeimogelijkheden zijn.

Volledig mee oneens ○ ○ ○ ○ ○ ○ ○ Volledig mee eens

Mijn leidinggevende heeft op eigen initiatief informeel aangegeven wat mijn doorgroeimogelijkheden zijn.

Volledig mee oneens ○ ○ ○ ○ ○ ○ ○ Volledig mee eens

Mijn leidinggevende heeft informeel aangegeven wat mijn doorgroeimogelijkheden zijn maar alleen nadat ik daar naar had gevraagd.

Volledig mee oneens ○ ○ ○ ○ ○ ○ ○ Volledig mee eens

Bij de meest recente beoordeling besteedde mijn leidinggevende voornamelijk aandacht aan mijn resultaten van het afgelopen jaar en veel minder aan het bespreken van mijn mogelijkheden voor de toekomst.

Volledig mee oneens ○ ○ ○ ○ ○ ○ ○ Volledig mee eens

Mijn leidinggevende stimuleert mij om mezelf verder te ontwikkelen.

Volledig mee oneens ○ ○ ○ ○ ○ ○ ○ Volledig mee eens

[Firm name] : ***biedt mij de mogelijkheid om mezelf verder te ontwikkelen om mijn waarde te vergroten binnen*** [firm name] ***en op de arbeidsmarkt.***

Volledig mee oneens ○ ○ ○ ○ ○ ○ ○ Volledig mee eens

Zijn er ontwikkelingsmogelijkheden die je mist bij [firm name] ***?***

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

In vergelijking met mijn directe collega's ben ik ambitieus.

Volledig mee oneens						Volledig mee eens
○	○	○	○	○	○	○

Ik heb de ambitie om ooit door te groeien tot de directie van [firm name] *of van een andere organisatie.*

Volledig mee oneens						Volledig mee eens
○	○	○	○	○	○	○

Ik denk dat ik binnen afzienbare tijd zal doorgroeien naar het volgende functieniveau.

Volledig mee oneens						Volledig mee eens
○	○	○	○	○	○	○

Mijn directe manager onderkent mijn mogelijkheden.

Volledig mee oneens						Volledig mee eens
○	○	○	○	○	○	○

In vergelijking met collega's op het zelfde niveau, hoe goed ben jij in het organiseren van jouw carrière, jezelf en anderen?

Heel veel slechter						Heel veel beter
○	○	○	○	○	○	○

Hoe goed is jouw kennis van jouw vakgebied in vergelijking met collega's op hetzelfde niveau?

Heel veel slechter						Heel veel beter
○	○	○	○	○	○	○

Mijn dagelijkse taken motiveren mij.

Volledig mee oneens						Volledig mee eens
○	○	○	○	○	○	○

Gezien de doorgroeimogelijkheden bij [firm name] ben ik gemotiveerd om mijn talenten verder te ontwikkelen.

Volledig mee oneens						Volledig mee eens
○	○	○	○	○	○	○

Hoe tevreden ben jij, over het algemeen, met jouw baan bij [firm name]?

Heel erg ontevreden						Heel erg tevreden
○	○	○	○	○	○	○

Hoe uitdagend vind jij jouw baan bij [firm name]?

Absoluut niet uitdagend						Absoluut uitdagend
○	○	○	○	○	○	○

Hoe tevreden ben jij met jouw mogelijkheden om jezelf te ontwikkelen bij [firm name] *?*

Heel erg ontevreden — Heel erg tevreden

Hoe tevreden ben jij met de verantwoordelijkheden die jij krijgt bij [firm name]*`?*

Heel erg ontevreden — Heel erg tevreden

Ik ben altijd aanwezig bij sociale activiteiten georganiseerd door [firm name] *., zoals bijvoorbeeld bij een vrijdagmiddagborrel.*

Volledig mee oneens — Volledig mee eens

Ik ben altijd aanwezig bij sociale activiteiten (bijvoorbeeld zakendiners) georganiseerd door derden waar ik, als medewerker van [firm name] *, voor ben uitgenodigd.*

Volledig mee oneens — Volledig mee eens

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Geef voor de volgende karakteristieken van een baan aan hoe belangrijk ze zijn voor het hebben van een succesvolle carrière bij een willekeurig bedrijf

	Onbelangrijk <--------> Belangrijk						
	1.	2.	3.	4.	5.	6.	7.
De baan brengt je werk onder de aandacht van de leidinggevende.	○	○	○	○	○	○	○
De baan wordt als belangrijk gezien door het personeel van de organisatie.	○	○	○	○	○	○	○
De baan benadrukt je sterke kanten en verbergt enigszins je zwakke kanten.	○	○	○	○	○	○	○
Jouw leidinggevende lijkt snel door te groeien in de organisatie.	○	○	○	○	○	○	○
De baan is het gevolg van een recentelijke reorganisatie.	○	○	○	○	○	○	○
Je kunt je zonder veel moeite meester maken van de baan.	○	○	○	○	○	○	○
De baan zal leiden tot frequente verslaggeving in de lokale media.	○	○	○	○	○	○	○
De baan is essentieel voor de dagelijkse gang van zaken van de organisatie ondanks dat het niet als belangrijk wordt gezien.	○	○	○	○	○	○	○
De reputatie van de afdeling is op dit moment slecht; er is dus ruimte voor verbetering.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Geef voor de volgende ervaringen aan in welke mate zij bijdragen aan het worden van een goede manager binnen de accountancy / audit praktijk:

	Weinig <----------> Veel						
	1.	2.	3.	4.	5.	6.	7.
Het afronden van een Master bij een goede universiteit.	○	○	○	○	○	○	○
Werkervaring als een verkoper.	○	○	○	○	○	○	○
Zich van onderaf opwerken binnen de organisatie.	○	○	○	○	○	○	○
Werkervaring bij een concurrent in een vergelijkbare positie.	○	○	○	○	○	○	○
Een sterke achtergrond in accounting.	○	○	○	○	○	○	○
Werkervaring op fiscaal gebied.	○	○	○	○	○	○	○
Een sterke achtergrond in personele zaken / HR.	○	○	○	○	○	○	○
Een sterke achtergrond in computer technologie / IT.	○	○	○	○	○	○	○
Werkervaring als een redacteur van een professioneel magazine (bv. De Accountant).	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Deel 4: Carrièrepad

Ik zie mijzelf op lange termijn nog voor [firm name] werken.

Voledig mee oneens — Voledig mee eens

Ik zou liever ander werk hebben dan ik op dit moment heb (binnen deze organisatie of in een andere organisatie).

Voledig mee oneens — Voledig mee eens

Tenzij [firm name] actief stappen onderneemt, overweeg ik het bedrijf te verlaten.

Voledig mee oneens — Voledig mee eens

Als ik mijn huidige werk, tegen een gelijk of hoger salaris, binnen een andere organisatie zou kunnen doen, dan zou ik zeker hier blijven omdat werken bij [firm name] : mij andere voordelen biedt.

Voledig mee oneens — Voledig mee eens

Wat is de kans dat jij binnen 3 tot 6 maanden nog voor [firm name] werkt?

Zeer klein — Zeer groot

Wat is de kans dat jij over 12 maanden nog voor [firm name] werkt?

Zeer klein — Zeer groot

[Firm name] doet er alles aan om mij voor de lange termijn te behouden.

Volledig mee oneens — Volledig mee eens

Over het algemeen is het met mijn kwalificaties gemakkelijk om ergens anders een goede baan te vinden.

Volledig mee oneens — Volledig mee eens

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Geef aan hoe belangrijk de volgende strategieën zijn in het dagelijkse werk van een manager binnen de accountancy/audit praktijk:

	Onbelangrijk <--------> Belangrijk						
	1.	2.	3.	4.	5.	6.	7.
Aandacht besteden aan de details van de taak.	○	○	○	○	○	○	○
Denken in afgeronde taken in plaats van gewerkte uren.	○	○	○	○	○	○	○
Controle hebben over iedere fase van iedere taak.	○	○	○	○	○	○	○
Zichzelf belonen na het afronden van een belangrijke taak.	○	○	○	○	○	○	○
Gebruik maken van een dagelijkse takenlijst gerangschikt naar eigen prioriteiten.	○	○	○	○	○	○	○
Het stellen van persoonlijke deadlines naast het opgelegd krijgen van deadlines door derden.	○	○	○	○	○	○	○
Niet proberen iedere taak goed te doen – veel taken zijn triviaal.	○	○	○	○	○	○	○
Vaste tijden hebben om belangrijke taken te verwezenlijken.	○	○	○	○	○	○	○
Het delegeren van taken aan competente anderen.	○	○	○	○	○	○	○
Aandacht besteden aan het plannen van taken.	○	○	○	○	○	○	○
Een strategie bedenken alvorens te beginnen aan een taak.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Nog maar twee vragen te gaan. Jouw medewerking wordt erg gewaardeerd.

De volgende twee vragen zijn (potentieel) hypothetische situaties. Wij vragen jou om na te denken over hoe jij zou handelen als jij zelf in deze situatie zou zitten.

Vorige Pagina | Volgende Pagina

0% 100%

qualtrics.com

Stel, dit is jouw tweede jaar als manager in een afdeling met ongeveer 30 medewerkers. De evaluatie van jouw eerste jaar als manager was over het algemeen positief, maar ondanks het feit dat jouw leidinggevenden je graag mogen, is er weinig dat jou onderscheidt van de negen ander managers met een vergelijkbare functie binnen dit bedrijf. Jouw doel is om zo spoedig mogelijk promotie te maken. In welke mate zouden de volgende acties jouw kansen op promotie vergroten?

	Kleine mate <———> Grote mate						
	1.	2.	3.	4.	5.	6.	7.
Een manier vinden om medewerkers die slechts een minimale bijdrage leveren kwijt te raken.	○	○	○	○	○	○	○
In een serie van professionele accountancy seminars presenteren.	○	○	○	○	○	○	○
Leidinggevenden bekendmaken met je belangrijke prestaties.	○	○	○	○	○	○	○
Taken op de sterke en zwakke kanten van individuele medewerkers afstemmen.	○	○	○	○	○	○	○
Druk uitoefenen op medewerkers om hun gebudgetteerde tijd en kosten te verlagen.	○	○	○	○	○	○	○
Opvallen door een oplossing voor een probleem binnen een andere afdeling voor te stellen waar je de verantwoordelijkheid voor wilt overnemen.	○	○	○	○	○	○	○
Veel gewicht hechten aan de manier waarop vennoten dingen graag zien gebeuren wanneer je een beslissing neemt.	○	○	○	○	○	○	○
Lid worden van een exclusieve club waar menig bestuurslid ook toe behoort.	○	○	○	○	○	○	○
Actief bedrijfs- en accountancy bladen lezen.	○	○	○	○	○	○	○
Niet goed in alles proberen te zijn; specialiseren in specifieke bedrijfstakken waarin men daadwerkelijk competent is.	○	○	○	○	○	○	○
Actief contact opnemen met cliënten om honorarium te verhogen.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

qualtrics.com

Stel, jij bent net overgeplaatst naar een nieuwe afdeling binnen jouw bedrijf. Jij was gevraagd voor deze functie omdat er nogal serieuze personeelsproblemen bestaan binnen deze nieuwe afdeling. De moraal is erg laag, en de afdeling is verdeeld tussen medewerkers die het spijtig vinden dat de leidinggevende vertrokken is en medewerkers die het spijtig vinden dat de leidinggevende niet eerder vertrokken is. De prestatie van de afdeling is lager dan verwacht. Het probleem is al geruime tijd gaande, en zal niet 1,2, 3 op te lossen zijn.

Je wilt jouw leidinggevende laten zien hoe je kan funtioneren in lastige situaties, en hoopt hiermee je kans om verder te groeien in het bedrijf te verhogen. In welke mate zouden de volgende acties bijdragen aan het slagen binnen deze nieuwe positie?

	Kleine mate <-------> Grote mate						
	1.	2.	3.	4.	5.	6.	7.
Delegeer taken altijd aan de meest junior medewerker die de taak aankan.	○	○	○	○	○	○	○
Geef de vennoten regelmatig voortgangsverslagen.	○	○	○	○	○	○	○
Kondig een grote reorganisatie van de afdeling aan die zal leiden tot het ontslag van mensen die een minimale bijdrage leveren.	○	○	○	○	○	○	○
Concentreer je meer op je medewerkers dan op je taken.	○	○	○	○	○	○	○
Zorg dat medewerkers zich verantwoordelijk voelen voor hun werk.	○	○	○	○	○	○	○
Maak de baan geschikt voor de persoon, niet de persoon voor de baan.	○	○	○	○	○	○	○
Wees eerlijk in je evaluatie van medewerkers die slecht presteren.	○	○	○	○	○	○	○
Laat de vennoten weten hoe slecht de situatie is zodat zelfs kleine verbeteringen worden gewaardeerd.	○	○	○	○	○	○	○
Maak de regels en processen waarmee je werkt expliciet.	○	○	○	○	○	○	○
Probeer niet te veel te snel te doen.	○	○	○	○	○	○	○

Vorige Pagina | Volgende Pagina

0% 100%

Survey at [firm name]

Part 1: General Information

a. Age _____

b. How long have you been working at [firm name]? _____ *Months*

c. What is your current job title at [firm name]? _____

d. How long have you been working in your current position? _____

e. Did you previously hold another position at [firm name]? _____

f. If so, please provide the following information?

Positions held within [firm name] | *Months within this position*

1. _____ _____ *Months*
2. _____ _____ *Months*
3. _____ _____ *Months*
4. _____ _____ *Months*
5. _____ _____ *Months*

During one of your recruiting interviews at the university, a student asks you about things one can do to increase one's chances for success in public accounting. Rate each of the following things one can do by its importance to a successful career in a public accounting firm:

_____ a. avoid criticism of others unless you have a better alternative to propose
_____ b. avoid drawing attention to yourself at all costs
_____ c. model yourself after a successful superior
_____ d. make a point to meet people that may in some way influence the course of your career
_____ e. take on assignments that potentially may bring your work to the attention of higher-level management in the firm
_____ f. try to please the audit clients even if they are nasty, and find out their needs
_____ g. take advantage of opportunities to take on responsibilities beyond the scope of your immediate assignment
_____ h. don't worry if your reputation in the company is sagging as long as you know you are doing good work
_____ i. dress and behave in a manner that fits the corporate image
_____ j. give as much attention to when and how you present something as you do to what you are presenting

Rate the following motivations in terms of their importance as incentives for pursuing a career in public accounting:

_____ a. I think my abilities are a good match to this career choice
_____ b. I enjoy working with people
_____ c. I like being a "team player"
_____ d. I would like to make a lot of money
_____ e. I enjoy responsibility and the power that goes with it
_____ f. I enjoy leading people
_____ g. I like to be my own boss
_____ h. I like a job that I can "leave at the office" at the end of the day
_____ i. I am easily bored by routines
_____ j. I need to do things my way
_____ k. I want to lead others but not be led by others

Part 2

How many customers do you serve a year? _____

Of the customers that you serve, which percentage

- *Mid-size* _____ %
- *Small* _____ %

Of the type of tasks that you perform which percentage is

a. *Very challenging and interesting* _____ %

b. *Challenging and interesting* _____ %

c. *Somewhat challenging and interesting* _____ %

d. *Routine* _____ %

e. *Not challenging and interesting* _____ %

Are the type of tasks that you perform in comparison with your direct colleagues (same position and comparable work experience):

O	O	O	O	O	O	O
1 A lot less challenging and interesting	2	3	4 Comparabl e	5	6	7 A lot more challenging and interesting

To what extent are you trusted by your supervisor with responsibilities that normally are only trusted to employees with more experience?

O	O	O	O	O	O	O
1 A lot less than normal	2	3	4	5	6	7 A lot more than normal

The responsibilities that I get trusted with are in comparison with direct colleagues (same position and work experience):

O	O	O	O	O	O	O
1 A lot smaller	2	3	4	5	6	7 A lot larger

I determine the order and the way in which I perform my tasks.

O	O	O	O	O	O	O
1 To a very small extent	2	3	4	5	6	7 To a very large extent

I determine my pace of work.

O	O	O	O	O	O	O
1 To a very small extent	2	3	4	5	6	7 To a very large extent

Your company has sent you to a university to recruit and interview potential audit trainees. You have been considering characteristics of students that are important to later success in the public accounting firm. Rate the importance of the following student characteristics by the extent to which they lead to later success in public accounting:

_____ a. motivation
_____ b. ability to set priorities according to the importance of your tasks
_____ c. being meticulous to details
_____ d. ability to follow through and bring completion to tasks
_____ e. broad-ranging interests and hobbies
_____ f. ability to promote your ideas and to convince others of the worth of your work
_____ g. ability to write well
_____ h. speaking ability
_____ i. ability to read materials in your field with high comprehension
_____ j. the need to win at everything no matter what the cost
_____ k. ability to communicate what you do and think in an interesting manner and to convey your enthusiasm for what you are doing

A number of factors enter into the establishment of a good reputation in a public accounting firm as a manager. Consider some of these factors and rate their importance:

_____ a. critical thinking ability
_____ b. visibility (i.e. well-known throughout the firm)
_____ c. speaking ability
_____ d. being in the appropriate clubs and being active in the appropriate organizations
_____ e. known to effect budget cuts, and chase clients for the collection of audit fees
_____ f. extent of education and the prestige of the school attended
_____ g. proceeding in a manner that avoids mistakes at all costs
_____ h. ability to solve "people problems"
_____ i. no hesitancy, when necessary, to insist on a particular stand on accounting issues despite the client's objections
_____ j. actively counsels staff members on ways to improve their performance
_____ k. a keen sense of what superiors can be sold on

In auditing as in other fields, there are often several people who are acknowledged to do extraordinary work. Rate the following characteristics by how important you believe they help in contributing to the success of these individuals:

_____ a. unusually creative
_____ b. very good at selling their ideas to others
_____ c. unusually plentiful resources at their disposal (assistants, facilities, etc.)
_____ d. tremendous need to achieve
_____ e. work unusually long hours
_____ f. highly efficient work habits
_____ g. lucky
_____ h. willing to take substantial risks
_____ i. power hungry
_____ j. socially adept
_____ k. better able than most to grasp and operate in terms of the "big picture", i.e., the mission of the firm

Part 3: Evaluation of ability

My performance evaluation form clearly indicates what the promotion possibilities are.

O	O	O	O	O	O	O
1 *Totally disagree*	2	3	4	5	6	7 *Totally agree*

My supervisor has, on his own initiative, informally informed me of my promotion possibilities.

O	O	O	O	O	O	O
1 *Totally disagree*	2	3	4	5	6	7 *Totally agree*

My supervisor has indicated what my promotion possibilities are but only after I explicitly asked him about it.

O	O	O	O	O	O	O
1 *Totally disagree*	2	3	4	5	6	7 *Totally agree*

During the evaluation my supervisor mainly focused on my performance in the past year instead of discussing my future possibilities within the company.

O	O	O	O	O	O	O
1 *Totally disagree*	2	3	4	5	6	7 *Totally agree*

My supervisor stimulates me to future develop my knowledge and skills.

O	O	O	O	O	O	O
1 *Totally disagree*	2	3	4	5	6	7 *Totally agree*

To what extent does [firm name] offer you possibilities to further develop yourself in order to increase your value in and outside the company

O	O	O	O	O	O	O
1 *Absolutely not*	2	3	4	5	6	7 *Absolutely*

Are there any development opportunities that you are missing at [firm name]? [Select Yes or No]

In comparison to my direct colleagues I am ambitious.

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

I have the ambition to become a partner at [firm name] or another company.

O	O	O	O	O	O	O
1 *Absolutely not*	2	3	4	5	6	7 *Absolutely*

Do you think you will be promoted to the next level within considerable time?

O	O	O	O	O	O	O
1 *No, I don't think I will ever get promoted*	2	3	4	5	6	7 *Yes, I expect to be promoted very soon*

Do you feel that you supervisor recognizes your talent?

O	O	O	O	O	O	O
1 *Absolutely not*	2	3	4	5	6	7 *Absolutely*

In comparison with your direct colleagues (same position and comparable experience), how good are you at organizing yourself, others and your career?

O	O	O	O	O	O	O
1 *A lot worse*	2	3	4	5	6	7 *A lot better*

In comparison with your direct colleagues (same position and comparable experience), how good is your technical knowledge?

O	O	O	O	O	O	O
1 *A lot worse*	2	3	4	5	6	7 *A lot better r*

My daily tasks motivate me.

O	O	O	O	O	O	O
1 Absolutely disagree	*2*	*3*	*4*	*5*	*6*	*7 Absolutely agree*

Considering the promotion possibilities within [firm name], I am motivated to further develop myself.

O	O	O	O	O	O	O
1 Absolutely disagree	*2*	*3*	*4*	*5*	*6*	*7 Absolutely agree*

On average, how satisfied are you with your job at [firm name]?

O	O	O	O	O	O	O
1 Absolutely not satisfied	*2*	*3*	*4*	*5*	*6*	*7 Absolutely satisfied*

How satisfied are you with the level of interest and challenge of your job at [firm name]?

O	O	O	O	O	O	O
1 Absolutely not satisfied	*2*	*3*	*4*	*5*	*6*	*7 Absolutely satisfied*

How satisfied are you with the possibilities to develop yourself at [firm name]?

O	O	O	O	O	O	O
1 Absolutely not satisfied	*2*	*3*	*4*	*5*	*6*	*7 Absolutely satisfied*

How satisfied are you with the responsibilities that you get awarded at [firm name]?

O	O	O	O	O	O	O
1 Absolutely not satisfied	*2*	*3*	*4*	*5*	*6*	*7 Absolutely satisfied*

I always attend social events organized by [firm name] such as the Friday afternoon receptions and drinks after trainings.

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

I always attend social events to which I, as an [firm name] employee, am invited.

O	O	O	O	O	O	O
1 *No, a lot less*	2	3	4	5	6	7 *Yes, a lot more*

Rate the following characteristics of a job by their importance in leading to a successful career in a given company:

_____ a. the job will bring your work to the attention of higher-level management personnel
_____ b. the job is considered to be an important one by company personnel
_____ c. the job should enable you to demonstrate your strengths and to hide to some extent your weaknesses.
_____ d. your boss seems to be advancing rapidly
_____ e. the job is the recent creation of a company reorganization
_____ f. you can master the job with almost no effort
_____ g. the job will result in frequent exposure to the local media
_____ h. the job is essential to the day-to-day operations of the company even though it is not perceived to be important
_____ i. the reputation of the department is a poor one; hence, there is room for improvement

Rate the following experiences by their importance in becoming a good audit manager:

_____ a. having completed an M.B.A. degree from a good business school
_____ b. experience as a salesperson
_____ c. working your way through the ranks of a company from the bottom
_____ d. working for a competitor in a similar position
_____ e. a strong background in accounting
_____ f. having worked in the tax department
_____ g. a strong background in human resource management
_____ h. a strong background in computer technology
_____ i. experience as editor of a professional magazine

Part 4: Retention

I see myself working at [firm name] in the long-run.

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

I would prefer to different work than I am currently doing (within this organization or in different organizations).

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

Unless [firm name] actively undertakes steps I consider leaving the company.

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

Even if I could do my job at another company while being paid more or equal, I would stay at [firm name] because [firm name] offers me other advantages.

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

What is the chance that you will still be working for [firm name] in 3 to 6 months?

O	O	O	O	O	O	O
1 *Very small*	2	3	4	5	6	7 *Very large*

What is the chance that you will still work for [firm name] in 12 months?

O	O	O	O	O	O	O
1 *Very small*	2	3	4	5	6	7 *Very large*

[Firm name] is doing everything to keep me in the long-run.

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

With my qualifications it would be easy to find another job elsewhere.

O	O	O	O	O	O	O
1 *Absolutely disagree*	2	3	4	5	6	7 *Absolutely agree*

Rate the following strategies of working according to how important you believe they are to the day-to-day work of an audit manager:

_____ a. pay particular attention to the details of a task
_____ b. think in terms of tasks accomplished rather than hours spent working
_____ c. be in charge of all phases of every task you are involved with
_____ d. reward yourself upon completion of important tasks
_____ e. use a daily list of goals arranged according to your priorities
_____ f. set personal deadlines to supplement externally imposed ones
_____ g. don't try to do everything well - many tasks are trivial
_____ i. set aside a regular time for accomplishing important tasks
_____ j. delegate tasks to competent others whenever possible
_____ j. pay careful attention to scheduling
_____ k. carefully consider the optimal strategy before beginning a task

Only two more questions. You’re responses are really appreciated.

The following questions are hypothetical. We ask you to think about how you would act in the situation yourself.

It is your second year as an audit manager in a department of about 30 professional staff. The evaluation of your first year on the job has been generally favorable. Though your staff are generally motivated, there are some who seem to go through the motions but are of little real help. You believe that although you are well-liked, there is little that would distinguish you in the eyes of your superiors from the nine other managers at comparable levels in your firm.

Your goal is rapid promotion. The following is a list of things you are considering doing in the next 12 months. You obviously cannot do them all. Rate the importance of each by its priority as a means of reaching your goal:

_____ a. find a way to get rid of the "dead wood", e.g., the less helpful assistant and three or four others
_____ b. make presentations in a series of professional accounting seminars
_____ c. find ways to make sure your superiors are aware of your important achievements
_____ d. make an effort to better match the work that needs to be done with the strengths and weaknesses of individual employees
_____ e. put pressure on staff to cut their time/cost budgets
_____ f. as a means of being noticed, propose a solution to a problem in another department that you would be willing to take charge of
_____ g. when making decisions, give a great deal of weight to the way the partners like things to be done
_____ h. join the exclusive country club that many high-level company executives belong to
_____ i. actively read business and accounting journals
_____ j. try not to be good at everything; rather, specialize in the audit of particular industries where you are truly competent
_____ k. actively contact clients to seek fee increases

You have just been transferred to another department in the firm. You were asked to take on this new job because of rather serious personnel-related problems in the new department. Morale in the new department is low. The department is divided into those who are sorry the former manager has left and those who are sorry the manager has not left earlier. Performance of the department has been below expectations. The problem has been around for some time, and you realize that solving them won't happen overnight. You also believe that this is a chance to show your superiors what you can do in a tough situation, and you hope that by doing well, you will improve your opportunities for advancement.

Rate the following actions by their importance in helping you to succeed in your new position:

_____ a. always delegate to the most junior person who can be trusted with the task
_____ b. give your partners frequent progress reports
_____ c. announce a major reorganization of the department that includes getting rid of whomever you believe is "dead wood"
_____ d. concentrate more on your people than the tasks to be done
_____ e. make people feel completely responsible for their work
_____ f. fit the job to the person, not the person to the job
_____ g. be honest in your evaluations of those who are doing poorly
_____ h. let your partners know how bad the situation really is so that they will appreciate even modest improvements
_____ i. make the rules and the process by which you operate explicit
_____ j. do not try to do too much too soon

Study 2 – Round 1
Data Collection Instrument

qualtrics.com

Part 1: General Information

Age

Sex

- Male
- Female

GPA (to nearest tenth of a point)

Do you currently participate in extracurricular activities?

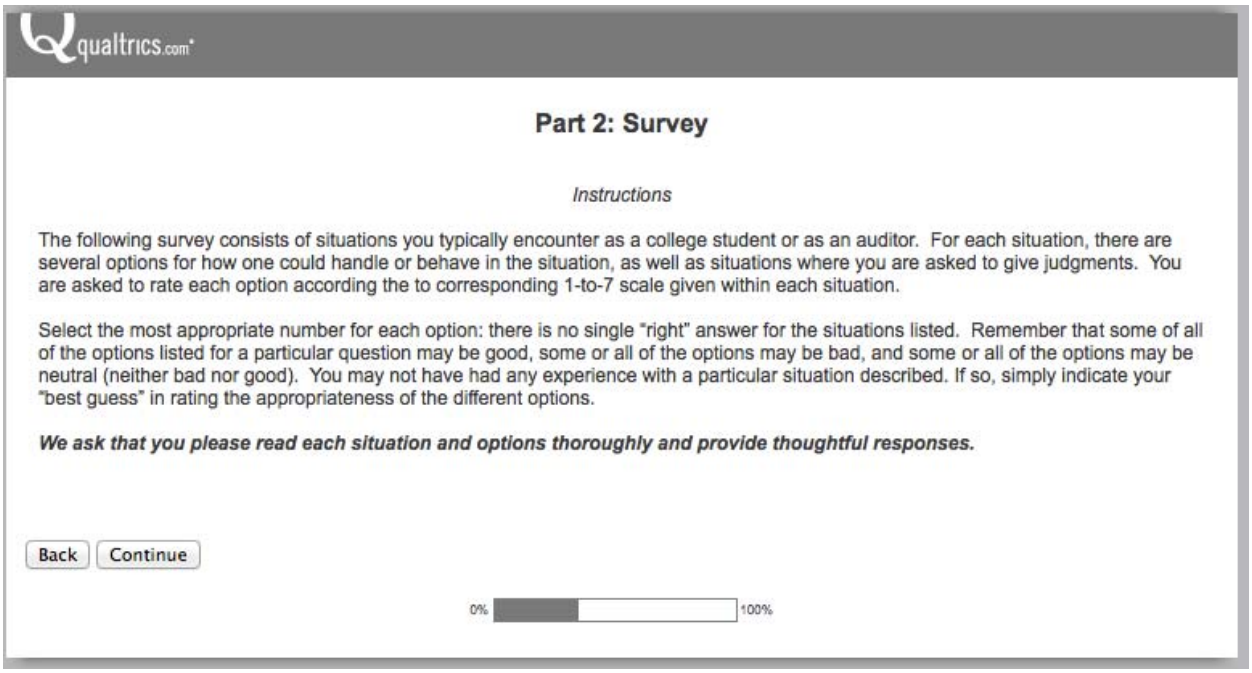
Have you completed an internship?

Do you have a full-time position secured for after graduation?

Back Continue

0% 100%

-----Page Break-----



qualtrics.com

Part 2: Survey

Instructions

The following survey consists of situations you typically encounter as a college student or as an auditor. For each situation, there are several options for how one could handle or behave in the situation, as well as situations where you are asked to give judgments. You are asked to rate each option according the to corresponding 1-to-7 scale given within each situation.

Select the most appropriate number for each option: there is no single "right" answer for the situations listed. Remember that some of all of the options listed for a particular question may be good, some or all of the options may be bad, and some or all of the options may be neutral (neither bad nor good). You may not have had any experience with a particular situation described. If so, simply indicate your "best guess" in rating the appropriateness of the different options.

We ask that you please read each situation and options thoroughly and provide thoughtful responses.

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

You have just begun the semester by taking one of the most important courses for your major. Rate the quality of the following behavior choices if your goal is to get a top grade in this class.

Select one response for each option.

	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
Make an effort to speak with the professor before class.	○	○	○	○	○	○	○
Meet with the professor during office hours.	○	○	○	○	○	○	○
Complete work ahead of schedule – handing work in early.	○	○	○	○	○	○	○
Attend class regularly and arrive on time.	○	○	○	○	○	○	○
Write especially creative and unusual papers.	○	○	○	○	○	○	○
Get high grades on exams.	○	○	○	○	○	○	○
Get high grades on papers.	○	○	○	○	○	○	○
Show improvement during the term.	○	○	○	○	○	○	○
Express special interest and enthusiasm for the material.	○	○	○	○	○	○	○
Ask for additional references for extra reading or work.	○	○	○	○	○	○	○
Inquire about the professor's own research interests.	○	○	○	○	○	○	○
Take responsibility for handing in assignments late or for requesting extensions.	○	○	○	○	○	○	○
Maintain an attractive personal appearance.	○	○	○	○	○	○	○
Be friendly toward the professor.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-TL question]

qualtrics.com

Rate the following characteristics of a job by their importance in leading to (i.e. fostering) a successful career in a given company.

Select one response for each option.

	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
The job will bring your work to the attention of higher-level management personnel	○	○	○	○	○	○	○
The job is considered to be an important one by company personnel	○	○	○	○	○	○	○
The job should enable you to demonstrate your strengths and to hide to some extent your weaknesses.	○	○	○	○	○	○	○
Your boss seems to be advancing rapidly	○	○	○	○	○	○	○
The job is the recent creation of a company reorganization	○	○	○	○	○	○	○
You can master the job with almost no effort	○	○	○	○	○	○	○
The job will result in frequent exposure to the local media	○	○	○	○	○	○	○
The job is essential to the day-to-day operations of the company even though it is not perceived to be important	○	○	○	○	○	○	○
The reputation of the department is a poor one; hence, there is room for improvement	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-BEP question]

qualtrics.com

You are the manager on the annual financial statement audit of an agricultural company whose major products are hybrid corn and soybean seeds. Although your firm has been the independent auditor for this company for years, this is your first year on the engagement. You notice that the company has been reserving for returns of sold hybrid seeds at replacement cost, instead of at gross sales price. You are aware that this is a common practice for clothing retailers as returns may be for very similar items (i.e., a red sweater for a blue sweater), however you are unsure the policy also can be applied to hybrid seeds, which can have limited shelf life. You are concerned the approach may cause management's sales returns reserve to be understated, perhaps materially. Rate the quality of each of the following options for addressing your concerns.

	Select one response for each option.						
	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Casually mention your concerns at dinner with your team to generate other opinions.	○	○	○	○	○	○	○
Consult with a peer who also audits agricultural companies.	○	○	○	○	○	○	○
Consult with your office's Engagement Quality Partner, as you two have a friendly relationship.	○	○	○	○	○	○	○
Independently research the topic to better determine whether an issue exists or not.	○	○	○	○	○	○	○
Wait and see if the senior manager on the engagement has an issue when she performs her review.	○	○	○	○	○	○	○
Look at the prior year engagement file to determine if the same accounting policy was in place. If so, sign-off on your review.	○	○	○	○	○	○	○
Mention your concerns to the senior manager and partner on the engagement the next time they are on-site.	○	○	○	○	○	○	○
Go to the client controller, your main contact, and discuss your concerns.	○	○	○	○	○	○	○
Attribute your concerns to a lack of knowledge of the agricultural industry and drop the issue.	○	○	○	○	○	○	○
Ask the senior responsible for preparing the work paper to discuss the issue with the client and document a better understanding of the policy.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

You have been assigned a fifteen-page paper in the area of your major, due at the end of the term. It is now midterm. Please rate how characteristic of your behavior the following ways of approaching this requirement are, if your goal is getting a top grade in the course.

	Select one response for each option.						
	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
Talk to the professor as soon as possible, and keep him or her informed of your progress on the project throughout the remainder of the term.	○	○	○	○	○	○	○
Choose a topic soon, and begin an outline of things to include in the paper.	○	○	○	○	○	○	○
Concentrate on doing the assigned reading and participating in the discussions until three weeks before the due date; then, choose a hot topic from late in the term for a paper.	○	○	○	○	○	○	○
Submit a rough draft to the professor for comments, and then a revision on the due date.	○	○	○	○	○	○	○
Ask a couple of your friends to read the paper and comment critically before you submit it.	○	○	○	○	○	○	○
Choose a topic close to the professor's area of research.	○	○	○	○	○	○	○
Seek advice from other faculty in addition to the professor of this course.	○	○	○	○	○	○	○
Choose a topic you are already very familiar with from other courses, readings, and assignments.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

One evening, you come to the dining hall and attempt to join the crowd of friends you usually eat with. You get your food, you approach the table, you are about to say "Hi, guys!" and, all of a sudden, you notice that nobody greets you and nobody smiles at you. Quite on the contrary, some people are looking down while others are just staring at you. Given this situation, rate the quality of the following behavior choices.

	Select one response for each option.						
	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
Ask your friends what is wrong.	○	○	○	○	○	○	○
Stare back at them and wait for someone to say something.	○	○	○	○	○	○	○
Take a seat at the table, start eating, and pretend that you are not noticing anything.	○	○	○	○	○	○	○
Turn around and find an empty seat elsewhere.	○	○	○	○	○	○	○
Pick the friend you think the most highly of and ask him/her to explain to you what is going on.	○	○	○	○	○	○	○
Find a table of acquaintances (but not friends), go there, and ask them whether they know what is going on.	○	○	○	○	○	○	○
Tell your friends that if they have anything to tell you they can find you at a given seat (and indicate a seat where you will be).	○	○	○	○	○	○	○
Pretend that you are not noticing their reaction and act as if you were joining another group of people.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-TL question]

qualtrics.com

A number of factors enter into the establishment of a good reputation in a public accounting firm as a manager. Consider some of these factors and rate their importance.

	Select one response for each option.						
	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Critical thinking ability	○	○	○	○	○	○	○
Visibility (i.e. well-known throughout the firm)	○	○	○	○	○	○	○
Speaking ability	○	○	○	○	○	○	○
Being in the appropriate clubs and being active in the appropriate organizations	○	○	○	○	○	○	○
Known to effect budget cuts, and chase clients for the collection of audit fees	○	○	○	○	○	○	○
Extent of education and the prestige of the school attended	○	○	○	○	○	○	○
Proceeding in a manner that avoids mistakes at all costs	○	○	○	○	○	○	○
Ability to solve "people problems"	○	○	○	○	○	○	○
No hesitancy, when necessary, to insist on a particular stand on accounting issues despite the client's objections	○	○	○	○	○	○	○
Actively counsels staff members on ways to improve their performance	○	○	○	○	○	○	○
A keen sense of what superiors can be sold on	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-BEP question]

qualtrics.com

You are the manager on the annual financial statement audit of a publicly held bank. You are in attendance at your first audit committee meeting for this client. The partner on the engagement is also present and is leading your firm's presentation, as you are only there to answer any detail questions that may come up. One of the audit committee members asks a question related to the loan loss reserve, an estimate that has been bothersome to you as well. The partner brushes off the question, indicating your team has done a deep, detailed dive into the amount and feels comfortable with it. You do not necessarily agree with the partner's perspective. Rate the quality of each of the following options for bringing your concern to light.

Select one response for each option.

	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Mention your concern to the partner after the meeting while he is still onsite at the client.	○	○	○	○	○	○	○
Interrupt the partner to clarify the extent of procedures and make your concerns known.	○	○	○	○	○	○	○
Add on to the partner's comments during the meeting, carefully clarifying that your review of the amount is not yet complete.	○	○	○	○	○	○	○
Pull the concerned audit committee member aside after the meeting to further discuss your concerns.	○	○	○	○	○	○	○
Go back and have your team perform the procedures to the extent the partner described, letting them know what happened at the meeting.	○	○	○	○	○	○	○
Quell your concerns and keep quiet, as the partner is the one signing off on the audit.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

You have decided to apply for an internship during the upcoming break, and want to ask one of your professors for a letter of recommendation. The professor you have in mind is teaching a fairly large class, and he does not know you very well. One day you run in to him in the coffee shop, where he is sitting with what you assume are his kids. Given this situation, rate the quality of the following behavior choices.

Select one response for each option.

	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
You decide that this is a good time to talk to him about the letter.	○	○	○	○	○	○	○
You go up and greet him, reminding him of your name and what class you are in.	○	○	○	○	○	○	○
You greet him and then start chatting with his kids.	○	○	○	○	○	○	○
You nod but do not talk to him.	○	○	○	○	○	○	○
You pretend you have not seen him. He probably does not want to deal with students outside of his workplace.	○	○	○	○	○	○	○
You ask if you can sit down with him and his kids and talk about different things.	○	○	○	○	○	○	○
You greet him and ask for an appointment with him the following day.	○	○	○	○	○	○	○
You greet him and offer to buy him and his kids coffee or sodas.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-TL question]

qualtrics.com

During one of your recruiting interviews at the university, a student asks you about things one can do to increase one's chances for success in public accounting. Rate each of the following things one can do by its importance to a successful career in a public accounting firm.

Select one response for each option.

	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Avoid criticism of others unless you have a better alternative to propose	○	○	○	○	○	○	○
Avoid drawing attention to yourself at all costs	○	○	○	○	○	○	○
Model yourself after a successful superior	○	○	○	○	○	○	○
Make a point to meet people that may in some way influence the course of your career	○	○	○	○	○	○	○
Take on assignments that potentially may bring your work to the attention of higher-level management in the firm	○	○	○	○	○	○	○
Try to please the audit clients even if they are nasty, and find out their needs	○	○	○	○	○	○	○
Take advantage of opportunities to take on responsibilities beyond the scope of your immediate assignment	○	○	○	○	○	○	○
Don't worry if your reputation in the company is sagging as long as you know you are doing good work	○	○	○	○	○	○	○
Dress and behave in a manner that fits the corporate image	○	○	○	○	○	○	○
Give as much attention to when and how you present something as you do to what you are presenting	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

A part of your class credit is a group project. The class description says that everybody in your small group will get the same grade. Your group has students of all kinds -- smart ones and stupid ones, hard working ones and lazy ones. A good grade in this class is really important to you -- you want to ask your professor to write a letter of recommendation for you. Given the situation, rate the quality of the following behavior choices.

	Select one response for each option.						
	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
Take the lead in designing and implementing the project.	○	○	○	○	○	○	○
Insist on everybody's equal involvement.	○	○	○	○	○	○	○
The group project is only a part of your grade; make sure that you work hard on all other assignments/exams.	○	○	○	○	○	○	○
Try to motivate everybody in your group to work hard.	○	○	○	○	○	○	○
Tell the professor that you do not agree with equal grading.	○	○	○	○	○	○	○
Make sure that everybody has an independent portion of the project to work on and that your portion is really well done.	○	○	○	○	○	○	○
Start talking to your professor about your project well before the due date-make sure that you are really working hard on it.	○	○	○	○	○	○	○
Find someone in the group you can rely on-design everything together with this person and make sure that everybody else's involvement is not that crucial to the project.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-TL question]

qualtrics.com

Your company has sent you to a university to recruit and interview potential audit trainees. You have been considering characteristics of students that are important to *later success* in the public accounting firm. Rate the importance of the following student characteristics by the extent to which they lead to later success in public accounting.

Select one response for each option.

	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Motivation	○	○	○	○	○	○	○
Ability to set priorities according to the importance of your tasks	○	○	○	○	○	○	○
Being meticulous to details	○	○	○	○	○	○	○
Ability to follow through and bring completion to tasks	○	○	○	○	○	○	○
Broad-ranging interests and hobbies	○	○	○	○	○	○	○
Ability to promote your ideas and to convince others of the worth of your work	○	○	○	○	○	○	○
Ability to write well	○	○	○	○	○	○	○
Speaking ability	○	○	○	○	○	○	○
Ability to read materials in your field with high comprehension	○	○	○	○	○	○	○
The need to win at everything no matter what the cost	○	○	○	○	○	○	○
Ability to communicate what you do and think in an interesting manner and to convey your enthusiasm for what you are doing	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-BEP question]

qualtrics.com

You are the manager on an integrated audit of a diversified manufacturing company with decentralized operating companies. Management has a policy in place requiring monthly reconciliations of intercompany accounts and confirmation of balances between business units, as intercompany transactions occur often and are frequently material. During review of the monthly reconciliations, the staff on the engagement alerts you to the fact that several of the forms appear to be backdated, as the print date of the files reviewed is after the signoff date. Rate the quality of each of the following options for addressing the issue.

Select one response for each option.

	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Tell the staff to expand the sample to get proper sample coverage for the period, and if no other issues are noted, mark the control as effective.	○	○	○	○	○	○	○
Ask the staff to follow up with the control owner and to let you know what he/she says.	○	○	○	○	○	○	○
Go to the controller, your main contact, and inquire as to his opinion on the integrity of the person completing the review, but do not tell him why you are asking.	○	○	○	○	○	○	○
Go to the controller, your main contact, as he is not the control owner and let him know what you found, to see the best way to approach the control owner.	○	○	○	○	○	○	○
Go to the controller, your main contact, and accuse the control owner of fraudulent activities through the misrepresentation of timely review.	○	○	○	○	○	○	○
Immediately call the senior manager and partner on the engagement and let them know what you found, asking them how you should address it.	○	○	○	○	○	○	○
Have the staff go through prior period audit files to see if the issue existed in the past and if any reasonable explanation is present.	○	○	○	○	○	○	○
Mark the issue as a material weakness in the audit file and add the issue to the list of items to bring up in your next meeting with the CFO.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

You are enrolled in a small seminar course in the area of your major. Your goal is to get the top grade in the course. As you plan your strategy for attaining the top grade, you and your friends come up with a list of the best study methods that could help you achieve the top grade in the course. Given this situation, rate the quality of the following choices to how well each will help you achieve your goal.

	Select one response for each option.						
	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
Attend class regularly and arrive on time.	○	○	○	○	○	○	○
Do the assigned reading thoroughly before class.	○	○	○	○	○	○	○
Prepare a brief outline of points to raise in discussion.	○	○	○	○	○	○	○
Make appointments to meet with the professor from time to time.	○	○	○	○	○	○	○
Try to break the silence when the professor asks a question and no one says anything.	○	○	○	○	○	○	○
Skim the most critical reading before class.	○	○	○	○	○	○	○
Take extensive notes during the discussions.	○	○	○	○	○	○	○
Think of new questions to ask the professor and other students when the discussion slows down.	○	○	○	○	○	○	○
Do extra, unassigned reading, and raising novel points in class.	○	○	○	○	○	○	○
Sit up close to the professor, instead of in the back.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-TL question]

qualtrics.com

Rate the following strategies of working according to how important you believe they are to the day-to-day work of an audit manager.

	Select one response for each option.						
	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Pay particular attention to the details of a task	○	○	○	○	○	○	○
Think in terms of tasks accomplished rather than hours spent working	○	○	○	○	○	○	○
Be in charge of all phases of every task you are involved with	○	○	○	○	○	○	○
Reward yourself upon completion of important tasks	○	○	○	○	○	○	○
Use a daily list of goals arranged according to your priorities	○	○	○	○	○	○	○
Set personal deadlines to supplement externally imposed ones	○	○	○	○	○	○	○
Don't try to do everything well - many tasks are trivial	○	○	○	○	○	○	○
Set aside a regular time for accomplishing important tasks	○	○	○	○	○	○	○
Delegate tasks to competent others whenever possible	○	○	○	○	○	○	○
Pay careful attention to scheduling	○	○	○	○	○	○	○
Carefully consider the optimal strategy before beginning a task	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-BEP question]

qualtrics.com

You are the manager on the annual financial statement audit of a cellular/satellite communications equipment manufacturer. Although your firm has been auditing the client for years, this is your first year on the engagement. You notice the client regularly uses the practice of recognizing revenue on a "bill and hold" basis for its equipment. The rationale is the equipment is often ready for use and only awaiting customers to upload security software provided by a continued service contract with your client. Given your familiarity with the requirements for invoking "bill and hold" basis, you are concerned that the regularity with which your client uses this basis may not be in compliance with GAAP. From reviewing client policy documentation, you notice a retired partner from your firm was involved in the development and approval of this policy at the client. Rate the quality of each of the following options for addressing your concerns.

	Select one response for each option.						
	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Go to the client controller, your main contact, and discuss your concerns.	○	○	○	○	○	○	○
Consult with a peer who also audits cellular/satellite communication companies.	○	○	○	○	○	○	○
Consult with the Engagement Quality Partner in your office, as you have a friendly relationship with him.	○	○	○	○	○	○	○
Independently research the topic to better determine whether an issue exists or not.	○	○	○	○	○	○	○
Wait and see if the senior manager on the engagement has an issue when she performs her review.	○	○	○	○	○	○	○
Look at the prior year engagement file to determine if the same accounting policy was in place. If so, sign-off on your review.	○	○	○	○	○	○	○
Mention your concerns to the senior manager and partner on the engagement the next time they are on-site.	○	○	○	○	○	○	○
Call the retired partner involved with developing the policy, whom you've met on numerous occasions, to gain a better understanding.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

You share a room with another student, and on the whole, you get along well. There is, however, one thing in your roommate's behavior that drives you mad. Your roommate keeps borrowing things from you, like Advil, for example, and never replaces it (although s/he promises to). So when you have a headache you inevitably find the bottle empty. Given this situation, rate the quality of the following behavior choices.

	Select one response for each option.						
	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
Tell your roommate not to borrow anything from you.	○	○	○	○	○	○	○
Start borrowing things from your roommate and not replacing them.	○	○	○	○	○	○	○
Tell your roommate how annoyed you are by this situation.	○	○	○	○	○	○	○
Put up a sign in a strategic place saying "always replace what you borrow."	○	○	○	○	○	○	○
Ask your roommate to sit down with you and discuss do's and don'ts.	○	○	○	○	○	○	○
Present your roommate with the bill for whatever you have had to replace yourself.	○	○	○	○	○	○	○
Ignore it. After all it is just a detail.	○	○	○	○	○	○	○
Write down everything that bothers you about your roommate's behavior and ask her/him to do the same about your behavior.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[College Life Questionnaire question]

qualtrics.com

You arrive 15 minutes early for class, as you usually do, and while the door to the classroom has always been unlocked, today you find it locked. You know that in order to get the classroom opened, someone must call the help desk number posted next to the door. Your professor usually arrives a few minutes before class and the class is only 50 minutes long, so waiting for the help desk to arrive and unlock the door will result in the loss of at least 10-15 minutes of the class time. Given this situation, rate the quality of the following behavior choices.

Select one response for each option.

	1 Extremely bad	2	3	4 Neither bad nor good	5	6	7 Extremely good
Call the help desk to request someone come and unlock the door.	○	○	○	○	○	○	○
Wait for the professor to show up and see what she does.	○	○	○	○	○	○	○
Wait for the professor to show up and, as soon as she arrives let her know the door is locked.	○	○	○	○	○	○	○
Go to the professor's office, and see whether she wants you to call the help desk number.	○	○	○	○	○	○	○
Wait for classmates to arrive and ask them whether they think one of you should call the help desk.	○	○	○	○	○	○	○
Ignore the situation; the matter of the locked door is not your concern.	○	○	○	○	○	○	○
Email the professor to make her aware the door is locked.	○	○	○	○	○	○	○
Go to the bathroom so nobody knows you arrived to the classroom first.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

[TK-BEP question]

qualtrics.com

You are the manager on the financial statement audit of a retail client. During the third quarter review, you're performing analytical procedures while you wait for the rest of your team to roll off previous engagements. You notice a large increase in gross profit over the previous year and quarter. Based on your current knowledge of the industry and the client's operations you aren't sure what caused the change, so you meet with the controller to obtain an explanation. Immediately upon posing the question to the controller, she provides a detailed answer about the specific change in sales mix responsible for the change in gross profit. Her response appears reasonable and you return to the audit room to document the explanation. However, you immediately notice you had the sign of the change wrong; gross profit actually *decreased* since the prior year. Rate the quality of each of the following options for addressing your concerns.

Select one response for each option.

	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Immediately return to the controller to reevaluate the issue.	○	○	○	○	○	○	○
Make a note to increase detail testing during the year-end audit to investigate the change.	○	○	○	○	○	○	○
Wait until a new member of the audit team arrives the end of the week and send that auditor to discuss the issue with the controller.	○	○	○	○	○	○	○
Set up a meeting with the VP of Sales to discuss the change in sales mix.	○	○	○	○	○	○	○
Independently research industry sales reports to better understand plausible reasons for the change in gross profit.	○	○	○	○	○	○	○
Independently research consumer reports about product satisfaction to understand changes in consumer preferences.	○	○	○	○	○	○	○
Consult with another manager responsible for the audit of a competitor to better understand changes in the industry.	○	○	○	○	○	○	○

Back Continue

0% 100%

-----Page Break-----

qualtrics.com

Part 3: Post-survey Questions

Compared to my peers, my leadership skills are

Very below average — Average — Very above average

0 10 20 30 40 50 60 70 80 90 100

Indicate percentile

Compared to my peers, my level of ambition is

Very below average — Average — Very above average

0 10 20 30 40 50 60 70 80 90 100

Indicate percentile

Compared to my peers, I expect the success I will have in my career (in the next few years) will be

Very below average — Average — Very above average

0 10 20 30 40 50 60 70 80 90 100

Indicate percentile

Grades, in general, are a good indicator of future potential for success

Totally disagree — Neither agree nor disagree — Totally agree

My grades are a good indicator of <u>my future</u> potential for success

Totally disagree — Neither agree nor disagree — Totally agree

Instructors, in general, recognize students' future potential for success

Totally disagree — Neither agree nor disagree — Totally agree

My instructors recognize <u>my future</u> potential for success

Totally disagree — Neither agree nor disagree — Totally agree

Back Continue

0% 100%

-----Page Break-----

qualtrics.com

Please indicate the reasons you chose to pursue Accountancy as your major. Select all responses that apply.

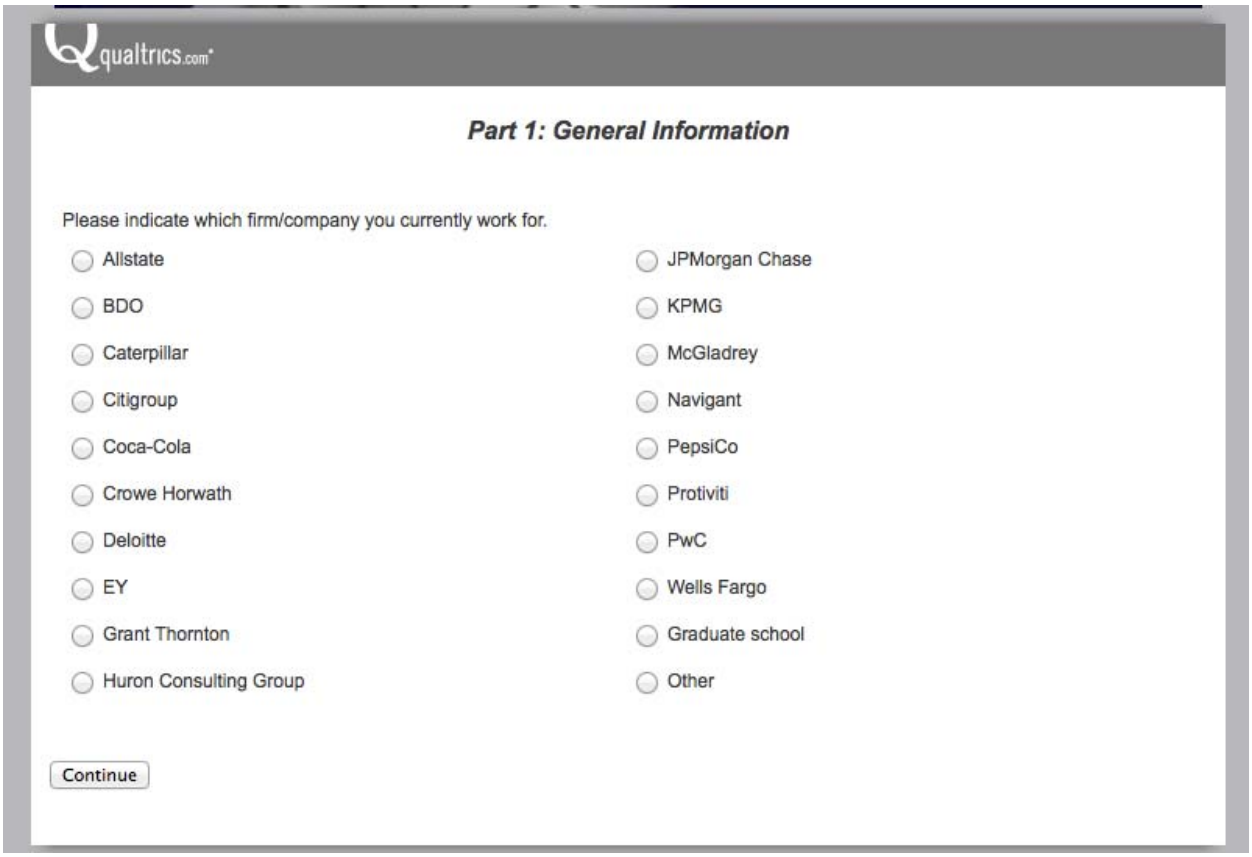
- ☐ The department generally gives out high grades.
- ☐ The teachers are known to be friendly and approachable.
- ☐ People are likely to be impressed by this major.
- ☐ You find the subject fascinating.
- ☐ The requirements are more numerous and demanding than most majors.
- ☐ You know and like one professor in the department a great deal.
- ☐ Several of your friends are majoring in the same subject, and are available to give you advice.
- ☐ The major is likely to help you secure the job you want later.
- ☐ Your parents strongly urge you to major in this subject.
- ☐ The size and atmosphere of the department conform well to your needs.
- ☐ A friend initially declared the major, then had to switch because it was too demanding.
- ☐ The requirements for the major are flexible.
- ☐ The major is likely to lead to a lucrative job.
- ☐ You believe that working in the area of the subject would make an important contribution to the world.

Back Continue

0% 100%

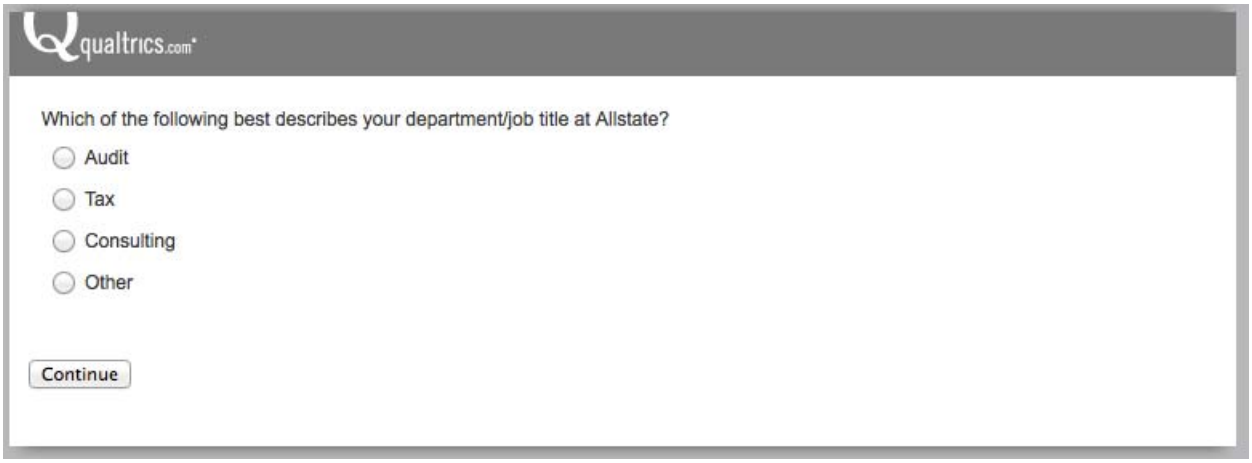
-----End of Survey-----

Study 2 – Round 2
Data Collection Instrument

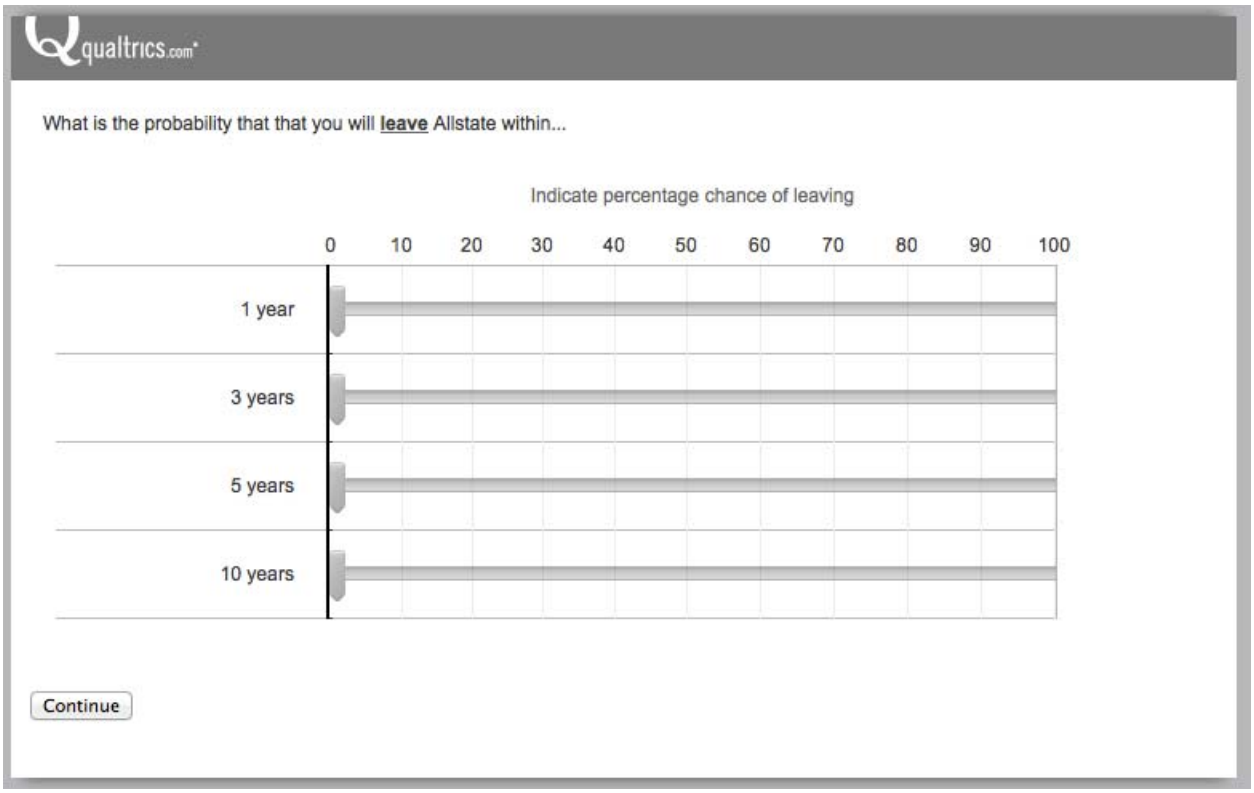


-----Page Break------

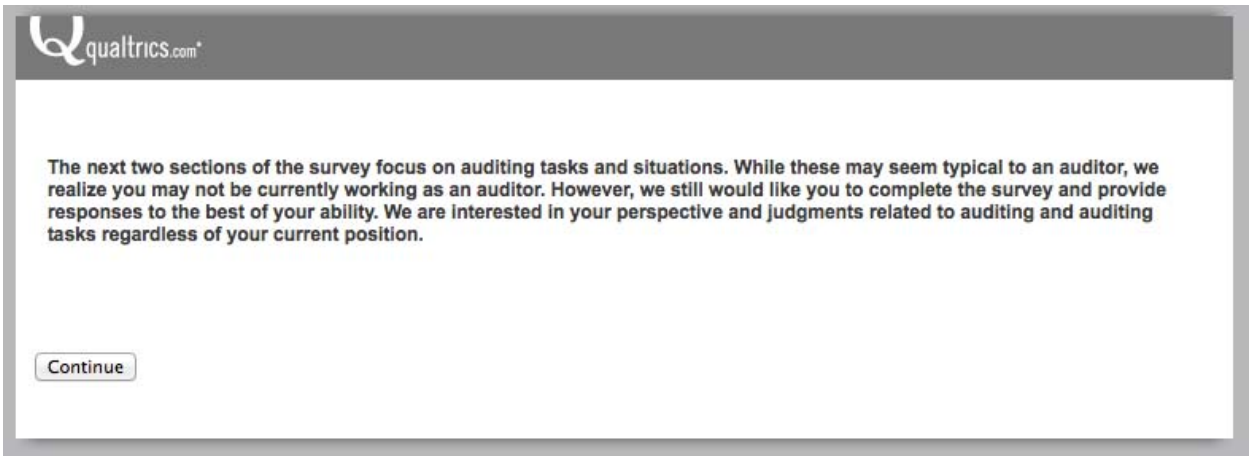
[Note: The response to the first question was used in the subsequent two questions. As an example, the following two screenshots show how the questions would have appeared if a participant had indicated "Allstate" for the first question.]



-----Page Break------



-----Page Break------



-----Page Break------

qualtrics.com

Part 2: Audit Task

Practicing accountants and auditors commonly apply judgment when generating and examining financial statements, and many accounting tasks can have more than "one right answer." Keep this in mind as you complete the following audit task, which focuses on the accounting treatment for accounts receivable.

Audit engagement:

You are a member of the audit team for NankCo, a private company. NankCo was established three years ago by two engineers from a large state university. Over the last two years, NankCo has developed what might turn out to be a sensational new product – the nankulator. Production began mid-year. Sales began in mid-October. NankCo management is encouraged by sales to date, and believes it will be a highly profitable product.

NankCo has a 12/31 year-end. It is January 21st, just a few days before the anticipated audit report date (i.e., you are at the end of the subsequent events period).

Accounting Issue:

NankCo ships product only after receiving customer authorization, and recognizes revenue upon shipment. There are a reasonably large number of customers, each with an authorized credit limit. NankCo management is not particularly concerned about collecting any particular account. Clearly, the earnings process is virtually complete when product is shipped. Thus, NankCo's revenue recognition policy is appropriate.

But, like any other company, there is some uncertainty about the overall collectability of accounts receivables. According to professional standards, an allowance for doubtful accounts must be established if *both*

(1) it is probable that some amount of accounts receivable will eventually prove uncollectible, and

(2) the amount of accounts receivable that will eventually prove uncollectible is reasonably estimable.

If no allowance is established because the second criterion is not satisfied, footnote disclosure should be made.

The available information indicates criterion (1) is satisfied. The issue in this case is whether criterion (2) is or is not satisfied.

As described in a popular intermediate accounting textbook,

"Some companies are unable to reliably estimate uncollectible accounts. Companies in the first year of operations or in new lines of business may have no basis for forecasting uncollectibles..."

Continue

-----Page Break------

qualtrics.com

Alternative Accounting Treatments:

***Option 1 – Footnote disclosure*:** If it is determined that the uncollectible amount of accounts receivable is not reasonably estimable, professional standards stipulate that the appropriate treatment is to not book an allowance with an accompanying bad debt expense but to include the following footnote:

> Although the Company considers it probable that a material amount of accounts receivable will prove uncollectible, insufficient information is available to permit the Company to reasonably estimate the amount of accounts receivable that will eventually prove uncollectible. Therefore, the Company has not established an allowance for doubtful accounts. Instead, accounts receivable are written off directly as they prove uncollectible.

***Option 2 – Book journal entry*:** If it is determined that the uncollectible amount of accounts receivable is reasonably estimable, professional standards stipulate that the appropriate treatment is to book an allowance and accompanying bad debt expense as shown in the following journal entry:

Bad Debt Expense	xx	
Allowance for Doubtful Accounts		xx

Action Taken by NankCo:

NankCo management concluded that uncollectible accounts receivable is not reasonably estimable and, consequently, chose Option 1 above. Thus, they include no "Allowance for Doubtful Accounts" in their unaudited financial statements. All necessary facts are adequately disclosed in the footnotes. NankCo management acknowledges that selecting Option 1 results in higher net income and a more favorable current ratio, which will assist in their ability to obtain additional investment capital in the future.

Continue

-----Page Break------

qualtrics.com

Audit Evidence:

The dollar amounts in question are material.

Credit terms: net 60 days

		Collections					
	Sales	October Sales	November Sales	December Sales	January Sales	Total Collected	Gross Accounts Receivable Balance
October '12 (3 weeks)	$200k					none	$200k
November '12	$500k	$100k	$100k			$200k	$500k
December '12	$700k	$50k	$200k	$200k		$450k	$750k
January '13 (thru 21st)	$650k	$30k	$100k	$300k	$150k	$580k	$820k
	$2050k	$180k	$400k	$500k	$150k	$1230k	

Age of Accounts Receivable	Amount	Percentage of total
< 31 days	$500,000	66.67%
31 to 60 days	$200,000	26.67%
> 60 days	$50,000	6.67%
gross accounts receivable balance, 12/31	$750,000	

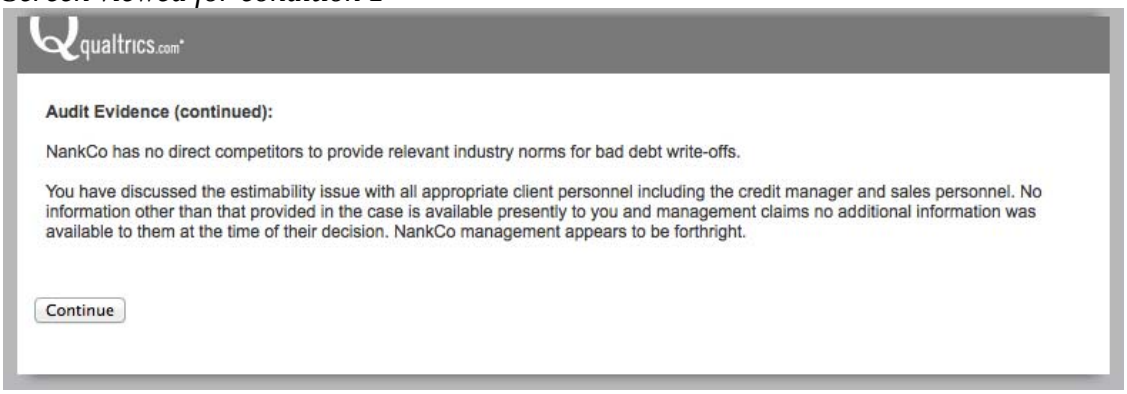
largest customer balance $ 5,000
smallest customer balance $ 500
median customer balance $ 2,000

Continue

-----Page Break------

[Note: Participants were randomly assigned to one of three conditions. As noted earlier and in a footnote of the study, results are robust to controlling for assigned condition.]

Screen viewed for condition 1



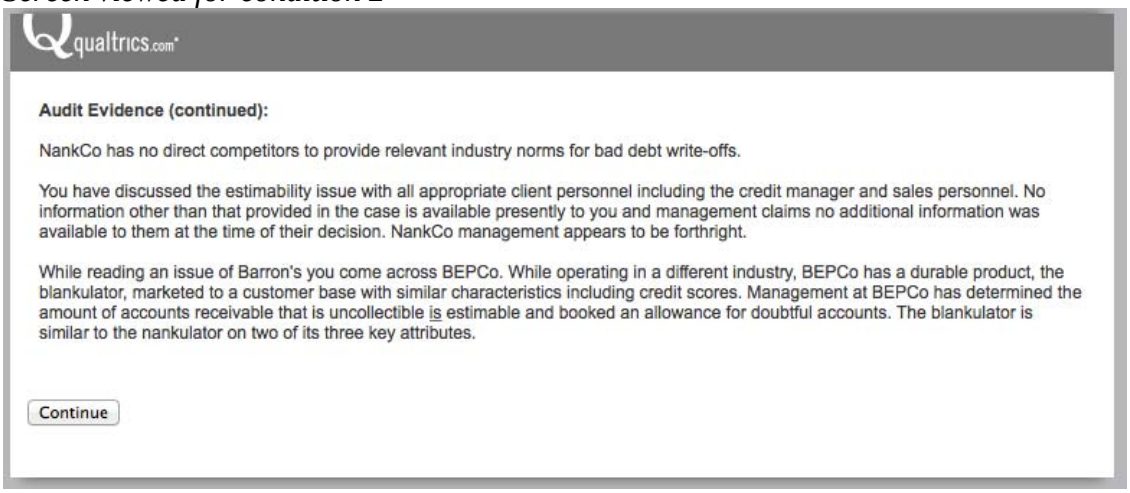
Audit Evidence (continued):

NankCo has no direct competitors to provide relevant industry norms for bad debt write-offs.

You have discussed the estimability issue with all appropriate client personnel including the credit manager and sales personnel. No information other than that provided in the case is available presently to you and management claims no additional information was available to them at the time of their decision. NankCo management appears to be forthright.

Continue

Screen viewed for condition 2



Audit Evidence (continued):

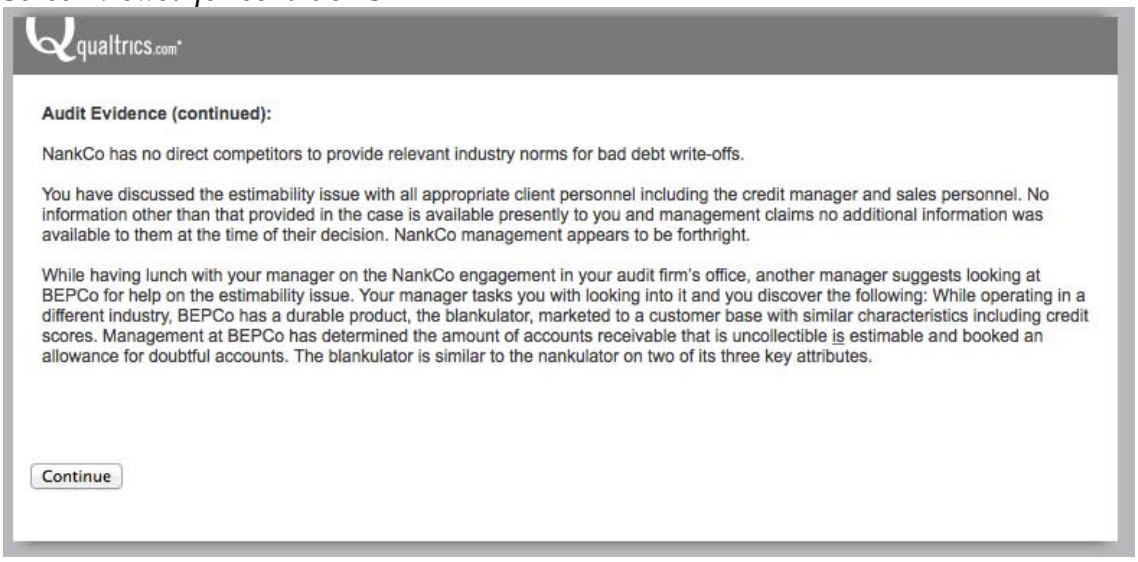
NankCo has no direct competitors to provide relevant industry norms for bad debt write-offs.

You have discussed the estimability issue with all appropriate client personnel including the credit manager and sales personnel. No information other than that provided in the case is available presently to you and management claims no additional information was available to them at the time of their decision. NankCo management appears to be forthright.

While reading an issue of Barron's you come across BEPCo. While operating in a different industry, BEPCo has a durable product, the blankulator, marketed to a customer base with similar characteristics including credit scores. Management at BEPCo has determined the amount of accounts receivable that is uncollectible is estimable and booked an allowance for doubtful accounts. The blankulator is similar to the nankulator on two of its three key attributes.

Continue

Screen viewed for condition 3



Audit Evidence (continued):

NankCo has no direct competitors to provide relevant industry norms for bad debt write-offs.

You have discussed the estimability issue with all appropriate client personnel including the credit manager and sales personnel. No information other than that provided in the case is available presently to you and management claims no additional information was available to them at the time of their decision. NankCo management appears to be forthright.

While having lunch with your manager on the NankCo engagement in your audit firm's office, another manager suggests looking at BEPCo for help on the estimability issue. Your manager tasks you with looking into it and you discover the following: While operating in a different industry, BEPCo has a durable product, the blankulator, marketed to a customer base with similar characteristics including credit scores. Management at BEPCo has determined the amount of accounts receivable that is uncollectible is estimable and booked an allowance for doubtful accounts. The blankulator is similar to the nankulator on two of its three key attributes.

Continue

-----Page Break------

qualtrics.com

Would you let NankCo characterize the uncollectible amount of accounts receivable as not estimable and thus, require only a footnote?

-3 Definitely would not	-2	-1	0	1	2	3 Definitely would
○	○	○	○	○	○	○

Please provide justification for your answer to the above question.

Comment on what you would communicate to your supervisors on the audit engagement and NankCo management.

Continue

-----Page Break------

qualtrics.com

To what degree do you think the uncollectible amount of accounts receivable is reasonably estimable?

-3 Clearly not reasonably estimable	-2	-1	0	1	2	3 Clearly reasonably estimable
○	○	○	○	○	○	○

How would the level of auditor business risk (e.g,. risk from litigation, adverse peer review, etc.) on the NankCo engagement change if your firm accepts NankCo's preferred footnote disclosure option instead of requiring NankCo to book an allowance and accompanying bad debt expense?

-3 Much lower	-2	-1	0	1	2	3 Much higher
○	○	○	○	○	○	○

How would the risk of losing the NankCo engagement to a competing audit firm change if your firm requires NankCo to book an allowance and accompanying bad debt expense instead of accepting its preferred footnote disclosure option?

-3 Much lower	-2	-1	0	1	2	3 Much higher
○	○	○	○	○	○	○

Please indicate the degree to which you agree/disagree with the following statements:

	-3 Strongly disagree	-2	-1	0 Neither disagree nor agree	1	2	3 Strongly agree
NankCo management mostly wants to get the accounting right.	○	○	○	○	○	○	○
NankCo management wants the uncollectible amount of accounts receivable to be estimable.	○	○	○	○	○	○	○
The supervising members of my audit team would like me to help justify NankCo management's preferred accounting.	○	○	○	○	○	○	○
I am committed to help NankCo management build a justifiable case for footnote disclosure.	○	○	○	○	○	○	○
I am committed to persuading my audit clients to adopt the most appropriate accounting, not accounting that is merely acceptable.	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

There was information regarding the BEPCo blankulator in the case.

- True
- False

The BEPCo blankulator information was discovered by you after a manager in your office suggested checking into BEPCo and your manager tasked you with doing this research.

- True
- False

Continue

-----Page Break------

qualtrics.com

Part 3: Accounting Situations

Instructions

The next part of the survey consists of **ten** situations you typically encounter as an accounting professional. For each situation, options are listed related to judgments or how one could handle/behave in the situation. You are asked to rate each option according to the corresponding 1-to-7 scale given within each situation. There is no single "right" answer for the situations listed. Some or all of the options listed for a particular question may be good, some or all of the options may be bad, and some or all of the options may be neutral (neither bad nor good).

You may not have had any experience with a particular situation described. If so, simply indicate your "best guess" in rating the appropriateness of the different options.

Continue

-----Page Break------

qualtrics.com

1) Rate the following characteristics of a job by their importance in leading to (i.e. fostering) a successful career in a given company.

	Select one response for each option.						
	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
The job will bring your work to the attention of higher-level management personnel	○	○	○	○	○	○	○
The job is considered to be an important one by company personnel	○	○	○	○	○	○	○
The job should enable you to demonstrate your strengths and to hide to some extent your weaknesses.	○	○	○	○	○	○	○
Your boss seems to be advancing rapidly	○	○	○	○	○	○	○
The job is the recent creation of a company reorganization	○	○	○	○	○	○	○
You can master the job with almost no effort	○	○	○	○	○	○	○
The job will result in frequent exposure to the local media	○	○	○	○	○	○	○
The job is essential to the day-to-day operations of the company even though it is not perceived to be important	○	○	○	○	○	○	○
The reputation of the department is a poor one; hence, there is room for improvement	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

2) You are the manager on the annual financial statement audit of an agricultural company whose major products are hybrid corn and soybean seeds. Although your firm has been the independent auditor for this company for years, this is your first year on the engagement. You notice that the company has been reserving for returns of sold hybrid seeds at replacement cost, instead of at gross sales price. You are aware that this is a common practice for clothing retailers as returns may be for very similar items (i.e., a red sweater for a blue sweater), however you are unsure the policy also can be applied to hybrid seeds, which can have limited shelf life. You are concerned the approach may cause management's sales returns reserve to be understated, perhaps materially. Rate the quality of each of the following options for addressing your concerns.

	Select one response for each option.						
	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Casually mention your concerns at dinner with your team to generate other opinions.	○	○	○	○	○	○	○
Consult with a peer who also audits agricultural companies.	○	○	○	○	○	○	○
Consult with your office's Engagement Quality Partner, as you two have a friendly relationship.	○	○	○	○	○	○	○
Independently research the topic to better determine whether an issue exists or not.	○	○	○	○	○	○	○
Wait and see if the senior manager on the engagement has an issue when she performs her review.	○	○	○	○	○	○	○
Look at the prior year engagement file to determine if the same accounting policy was in place. If so, sign-off on your review.	○	○	○	○	○	○	○
Mention your concerns to the senior manager and partner on the engagement the next time they are on-site.	○	○	○	○	○	○	○
Go to the client controller, your main contact, and discuss your concerns.	○	○	○	○	○	○	○
Attribute your concerns to a lack of knowledge of the agricultural industry and drop the issue.	○	○	○	○	○	○	○
Ask the senior responsible for preparing the work paper to discuss the issue with the client and document a better understanding of the policy.	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

3) A number of factors enter into the establishment of a good reputation in a public accounting firm as a manager. Consider some of these factors and rate their importance.

	Select one response for each option.						
	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Critical thinking ability	○	○	○	○	○	○	○
Visibility (i.e. well-known throughout the firm)	○	○	○	○	○	○	○
Speaking ability	○	○	○	○	○	○	○
Being in the appropriate clubs and being active in the appropriate organizations	○	○	○	○	○	○	○
Known to effect budget cuts, and chase clients for the collection of audit fees	○	○	○	○	○	○	○
Extent of education and the prestige of the school attended	○	○	○	○	○	○	○
Proceeding in a manner that avoids mistakes at all costs	○	○	○	○	○	○	○
Ability to solve "people problems"	○	○	○	○	○	○	○
No hesitancy, when necessary, to insist on a particular stand on accounting issues despite the client's objections	○	○	○	○	○	○	○
Actively counsels staff members on ways to improve their performance	○	○	○	○	○	○	○
A keen sense of what superiors can be sold on	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

4) You are the manager on the annual financial statement audit of a publicly held bank. You are in attendance at your first audit committee meeting for this client. The partner on the engagement is also present and is leading your firm's presentation, as you are only there to answer any detail questions that may come up. One of the audit committee members asks a question related to the loan loss reserve, an estimate that has been bothersome to you as well. The partner brushes off the question, indicating your team has done a deep, detailed dive into the amount and feels comfortable with it. You do not necessarily agree with the partner's perspective. Rate the quality of each of the following options for bringing your concern to light.

Select one response for each option.

	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Mention your concern to the partner after the meeting while he is still on-site at the client.	○	○	○	○	○	○	○
Interrupt the partner to clarify the extent of procedures and make your concerns known.	○	○	○	○	○	○	○
Add on to the partner's comments during the meeting, carefully clarifying that your review of the amount is not yet complete.	○	○	○	○	○	○	○
Pull the concerned audit committee member aside after the meeting to further discuss your concerns.	○	○	○	○	○	○	○
Go back and have your team perform the procedures to the extent the partner described, letting them know what happened at the meeting.	○	○	○	○	○	○	○
Quell your concerns and keep quiet, as the partner is the one signing off on the audit.	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

5) During one of your recruiting interviews at the university, a student asks you about things one can do to increase one's chances for success in public accounting. Rate each of the following things one can do by its importance to a successful career in a public accounting firm.

	Select one response for each option.						
	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Avoid criticism of others unless you have a better alternative to propose	○	○	○	○	○	○	○
Avoid drawing attention to yourself at all costs	○	○	○	○	○	○	○
Model yourself after a successful superior	○	○	○	○	○	○	○
Make a point to meet people that may in some way influence the course of your career	○	○	○	○	○	○	○
Take on assignments that potentially may bring your work to the attention of higher-level management in the firm	○	○	○	○	○	○	○
Try to please the audit clients even if they are nasty, and find out their needs	○	○	○	○	○	○	○
Take advantage of opportunities to take on responsibilities beyond the scope of your immediate assignment	○	○	○	○	○	○	○
Don't worry if your reputation in the company is sagging as long as you know you are doing good work	○	○	○	○	○	○	○
Dress and behave in a manner that fits the corporate image	○	○	○	○	○	○	○
Give as much attention to when and how you present something as you do to what you are presenting	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

6) Your company has sent you to a university to recruit and interview potential audit trainees. You have been considering characteristics of students that are important to *later success* in the public accounting firm. Rate the importance of the following student characteristics by the extent to which they lead to later success in public accounting.

	Select one response for each option.						
	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Motivation	○	○	○	○	○	○	○
Ability to set priorities according to the importance of your tasks	○	○	○	○	○	○	○
Being meticulous to details	○	○	○	○	○	○	○
Ability to follow through and bring completion to tasks	○	○	○	○	○	○	○
Broad-ranging interests and hobbies	○	○	○	○	○	○	○
Ability to promote your ideas and to convince others of the worth of your work	○	○	○	○	○	○	○
Ability to write well	○	○	○	○	○	○	○
Speaking ability	○	○	○	○	○	○	○
Ability to read materials in your field with high comprehension	○	○	○	○	○	○	○
The need to win at everything no matter what the cost	○	○	○	○	○	○	○
Ability to communicate what you do and think in an interesting manner and to convey your enthusiasm for what you are doing	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

7) You are the manager on an integrated audit of a diversified manufacturing company with decentralized operating companies. Management has a policy in place requiring monthly reconciliations of intercompany accounts and confirmation of balances between business units, as intercompany transactions occur often and are frequently material. During review of the monthly reconciliations, the staff on the engagement alerts you to the fact that several of the forms appear to be backdated, as the print date of the files reviewed is after the signoff date. Rate the quality of each of the following options for addressing the issue.

	Select one response for each option.						
	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Tell the staff to expand the sample to get proper sample coverage for the period, and if no other issues are noted, mark the control as effective.	○	○	○	○	○	○	○
Ask the staff to follow up with the control owner and to let you know what he/she says.	○	○	○	○	○	○	○
Go to the controller, your main contact, and inquire as to his opinion on the integrity of the person completing the review, but do not tell him why you are asking.	○	○	○	○	○	○	○
Go to the controller, your main contact, as he is not the control owner and let him know what you found, to see the best way to approach the control owner.	○	○	○	○	○	○	○
Go to the controller, your main contact, and accuse the control owner of fraudulent activities through the misrepresentation of timely review.	○	○	○	○	○	○	○
Immediately call the senior manager and partner on the engagement and let them know what you found, asking them how you should address it.	○	○	○	○	○	○	○
Have the staff go through prior period audit files to see if the issue existed in the past and if any reasonable explanation is present.	○	○	○	○	○	○	○
Mark the issue as a material weakness in the audit file and add the issue to the list of items to bring up in your next meeting with the CFO.	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

8) Rate the following strategies of working according to how important you believe they are to the day-to-day work of an audit manager.

	Select one response for each option.						
	1 Extremely unimportant	2	3	4 Neither important or unimportant	5	6	7 Extremely important
Pay particular attention to the details of a task	○	○	○	○	○	○	○
Think in terms of tasks accomplished rather than hours spent working	○	○	○	○	○	○	○
Be in charge of all phases of every task you are involved with	○	○	○	○	○	○	○
Reward yourself upon completion of important tasks	○	○	○	○	○	○	○
Use a daily list of goals arranged according to your priorities	○	○	○	○	○	○	○
Set personal deadlines to supplement externally imposed ones	○	○	○	○	○	○	○
Don't try to do everything well - many tasks are trivial	○	○	○	○	○	○	○
Set aside a regular time for accomplishing important tasks	○	○	○	○	○	○	○
Delegate tasks to competent others whenever possible	○	○	○	○	○	○	○
Pay careful attention to scheduling	○	○	○	○	○	○	○
Carefully consider the optimal strategy before beginning a task	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

9) You are the manager on the annual financial statement audit of a cellular/satellite communications equipment manufacturer. Although your firm has been auditing the client for years, this is your first year on the engagement. You notice the client regularly uses the practice of recognizing revenue on a "bill and hold" basis for its equipment. The rationale is the equipment is often ready for use and only awaiting customers to upload security software provided by a continued service contract with your client. Given your familiarity with the requirements for invoking "bill and hold" basis, you are concerned that the regularity with which your client uses this basis may not be in compliance with GAAP. From reviewing client policy documentation, you notice a retired partner from your firm was involved in the development and approval of this policy at the client. Rate the quality of each of the following options for addressing your concerns.

	Select one response for each option.						
	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Go to the client controller, your main contact, and discuss your concerns.	○	○	○	○	○	○	○
Consult with a peer who also audits cellular/satellite communication companies.	○	○	○	○	○	○	○
Consult with the Engagement Quality Partner in your office, as you have a friendly relationship with him.	○	○	○	○	○	○	○
Independently research the topic to better determine whether an issue exists or not.	○	○	○	○	○	○	○
Wait and see if the senior manager on the engagement has an issue when she performs her review.	○	○	○	○	○	○	○
Look at the prior year engagement file to determine if the same accounting policy was in place. If so, sign-off on your review.	○	○	○	○	○	○	○
Mention your concerns to the senior manager and partner on the engagement the next time they are on-site.	○	○	○	○	○	○	○
Call the retired partner involved with developing the policy, whom you've met on numerous occasions, to gain a better understanding.	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

10) You are the manager on the financial statement audit of a retail client. During the third quarter review, you're performing analytical procedures while you wait for the rest of your team to roll off previous engagements. You notice a large increase in gross profit over the previous year and quarter. Based on your current knowledge of the industry and the client's operations you aren't sure what caused the change, so you meet with the controller to obtain an explanation. Immediately upon posing the question to the controller, she provides a detailed answer about the specific change in sales mix responsible for the change in gross profit. Her response appears reasonable and you return to the audit room to document the explanation. However, you immediately notice you had the sign of the change wrong; gross profit actually *decreased* since the prior year. Rate the quality of each of the following options for addressing your concerns.

Select one response for each option.

	1 Handled in worst way	2	3	4 Neutrally handled	5	6	7 Handled in best way
Immediately return to the controller to reevaluate the issue.	○	○	○	○	○	○	○
Make a note to increase detail testing during the year-end audit to investigate the change.	○	○	○	○	○	○	○
Wait until a new member of the audit team arrives the end of the week and send that auditor to discuss the issue with the controller.	○	○	○	○	○	○	○
Set up a meeting with the VP of Sales to discuss the change in sales mix.	○	○	○	○	○	○	○
Independently research industry sales reports to better understand plausible reasons for the change in gross profit.	○	○	○	○	○	○	○
Independently research consumer reports about product satisfaction to understand changes in consumer preferences.	○	○	○	○	○	○	○
Consult with another manager responsible for the audit of a competitor to better understand changes in the industry.	○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

Part 4: Work Experience (Final section)

For the following questions, please think back over the last year since you graduated and began working.

How many hours a week on average do you spend interacting in person with client contacts or other key stakeholders?

Please indicate the percentage of time spent with each of the following levels either at clients or within your own company.

Top management (e.g., CEO, CFO)	0
Middle management (e.g., controller, assistant controller)	0
Lower level employees (e.g., non-management accounting personnel)	0
Administrative personnel (e.g., administrative assistants)	0
Total	0

Please list the industries you have worked in. If you have an industry specialty, please indicate.

Continue

-----Page Break------

How many direct supervisors have you had in the past year?

To what degree have you sought out opportunities to work with specific supervisors?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

To what degree have specific supervisors sought you out to work for them?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

To what degree have you sought out opportunities to work on attractive projects/engagements?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

To what degree have others sought you out to work on attractive projects/engagements?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

To what degree have your direct supervisors taken an avid interest in your professional development?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

To what degree have senior members (e.g., partners, executives) of your firm/company taken an interest in your professional development?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

How do you think you compare to your peers in terms of overall promise?

Below average Average Above Average

0 10 20 30 40 50 60 70 80 90 100

Indicate percentile

How does your firm/company think you compare to your peers in terms of overall promise?

Below average Average Above Average

0 10 20 30 40 50 60 70 80 90 100

Indicate percentile

Continue

-----Page Break------

qualtrics.com

To what degree have you participated in recruiting activities for your firm/company?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

To what degree have you participated in internal firm/company committees (e.g., technical guidance, quality initiatives, etc.)?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

To what degree have you spent time supervising the work of others (e.g., interns, off-shore, internal audit)?

1 Not at all	2	3	4 Somewhat	5	6	7 A lot
○	○	○	○	○	○	○

Have you experienced:

	Never	One time	Two times	Three or more times	I do not know. Cannot reliably rate.
a. Client/company management engaged in egregious earnings management	○	○	○	○	○
b. Client/company management engaged in financial-statement fraud	○	○	○	○	○
c. A new prestigious client/project (i.e., a big win)	○	○	○	○	○
d. Extreme or unusual turnover on team	○	○	○	○	○
e. Going concern opinion modification	○	○	○	○	○
f. Regulatory interaction (e.g., PCAOB inspection, SEC investigation)	○	○	○	○	○

Continue

-----Page Break------

qualtrics.com

On average, please indicate your performance evaluation ratings relative to your peers for the following areas:

Indicate percentile

	0	10	20	30	40	50	60	70	80	90	100
Technical skills											
Soft skills											
Overall											

To what degree do you think your firm appropriately values your performance?

-3 Under-values	-2	-1	0 Appropriately values	1	2	3 Over-values
○	○	○	○	○	○	○

Please provide your CPA exam scores. If you have not yet taken one or more of the sections, please type 999 in the box.

0	Auditing and Attestation (AUD)
0	Business Environment and Concepts (BEC)
0	Financial Accounting and Reporting (FAR)
0	Regulation (REG)

Please provide your initial salary and current salary.

Initial salary	
Current salary	

How much money have you received in bonuses (e.g., project/engagement performance, annual, etc.) since you began with your firm/company?

Continue

-----End of Survey------