



**2014 Indiana CPA Society Student Survey  
Indiana Accounting Students Expectations Concerning Future  
Career Plans in the Accounting Profession and Views on the  
Value of the CPA Designation**

April 11, 2014

## Executive Summary

In March 2014, the Indiana CPA Society contacted Indiana accounting students to solicit their opinions and expectations for the annual student survey. The INCPAS Accounting Student Survey serves to gauge the career plans of its young members, and gather views on their future goals and the value of the CPA designation.

This year's survey consisted of 24 questions. The first question determined if participants are still pursuing a degree in accounting. If a participant answered "yes" to the first question, they were then directed to complete the survey. Out of those who participated, 13 percent were graduates and/or no longer studying accounting.

The invitation to participate in the survey was sent to 239 student members and a link to the survey was distributed to Indiana colleges and universities asking for student participation. The response rate was 30 percent of student members completing the survey. Additionally, 180 students completed the survey by using the public access link distributed to them through teachers, peers and social media. The response rate in 2013 was 22 percent.

As in previous years, more females than males completed the survey. Of those who participated, 54 percent were female and 46 percent were male.

According to the survey results, 81 percent of the students who participated rated their level of enthusiasm about accounting as increasing since they started college and began learning more about the profession. This is the highest percentage since the survey launched in 2006. The level of enthusiasm in 2013 and 2012 was 71 percent.

The majority plans to continue to pursue the CPA designation in the future. The percentage of those planning to sit for the CPA Exam immediately following graduation has increased to 76.5 which is the highest percentage of students since the survey began in 2006. That year, only 18 percent of students planned to sit immediately. As in the past, the majority of participants said they think the designation will be valuable to their career.

When asked about future career plans, 45 percent said they plan to work in the profession for 10 or more years, a slight increase from the 51 percent in 2013. This year, 31 percent of respondents said they are unsure or undecided about how long they plan to stay in the profession, which is the same as 2013.

Of the students who responded, 64 percent reported they plan to choose a career in public accounting – less than the 71 percent in 2013. Of the 64 percent this year, 48 percent plan to work in public accounting for a national firm, which is an increase from the 43 percent in 2013. This year, 32 percent said they plan to pursue a career in a local firm, a slight increase from 29 percent in 2013. The lowest percentage of those who responded, only 20 percent, plan to work at a regional firm. This dropped from 28 percent in 2013. The percentage of those planning to pursue a career in industry increased slightly to 16 percent. Those planning to work in government increased slightly from 2 percent in 2013 to 4 percent in 2013. Only two percent said they are choosing a career in education, down a percentage point from 2013. Those planning to pursue a career in a not-for-profit fell to three percent in 2014, down two percent from 2013.

As for what influenced these students the most in choosing accounting as a major, the 2014 results showed 26 percent were influenced by a high school accounting class and 21 percent indicated their introductory accounting class in college. Parents, friends, and career fairs also played a role in influencing some of the students.

For the second year in a row, work/life balance ranked as the top consideration for students in choosing a career field and compensation ranked second. Work/life balance hasn't been the top consideration for students since 2009. From 2010-12, compensation was the top consideration for students. Ranking third was advancement potential and fourth was flexible scheduling. Retirement plans and fringe benefits were less important to students when choosing a career in accounting, and community service opportunities were the least important.

The percentage of students who think employers place equal importance on the same considerations they think are important, such as compensation and work/life balance, has increased slightly in 2014 to 31 percent from 25 percent in 2013. The percentage of students who think employers do not place equal importance on the same considerations they think are important has decreased slightly in 2014 at 32 percent from 35 percent in 2013. The

number of students who are unsure about how to answer the question has dropped to 36 percent, down from the 40 percent in 2013.

New this year, questions were added to understand the student's motivation for joining the Indiana CPA Society. The main reasons students chose to join the Society were because a teacher encouraged it, they wanted access to more information or they wanted to get involved. Some indicated they wanted to put their membership on their resume.

The majority of survey respondents were upper classmen with 33 percent being fifth year students, 30 percent being seniors, 18 percent as juniors, eight percent were sophomores and dix percent were freshmen. Five percent selected other.

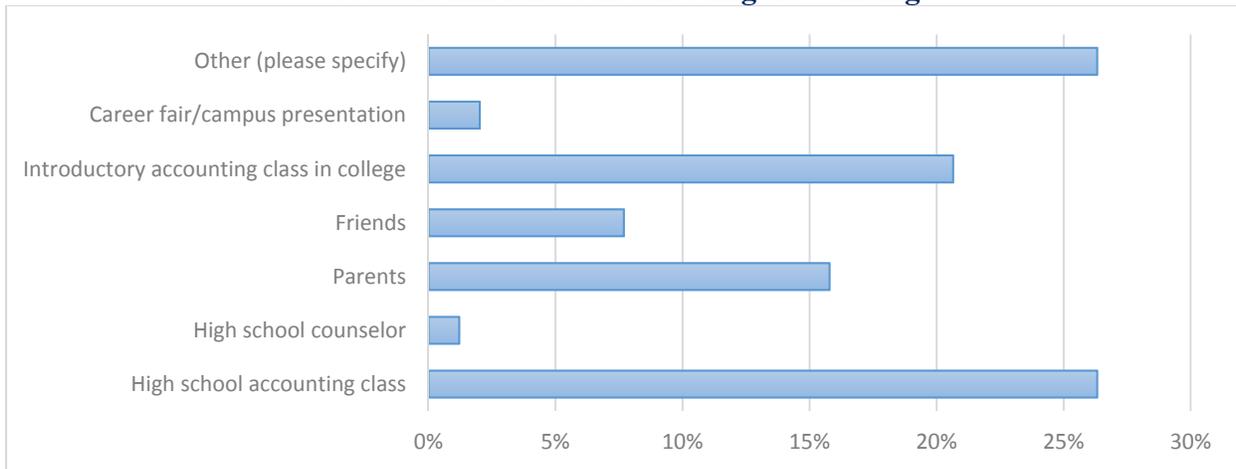
Also new this year, questions regarding ethnicity were added. The majority of respondents, 67 percent, identify as white. Fifteen percent are Asian/Pacific Islander, 10 percent are Black/African-American and three percent are Hispanic/Latino. Less than a half percent identified with American Indiana/Alaskan Native and one and a quarter percent answered other. In comparison to national data from the 2013 Trends Report these numbers are fairly comparable to national averages.

## Survey Results

### Student Influences

Students were asked who or what influenced their decision to choose accounting as a major and their level of enthusiasm about the major they have chosen. Since this survey question was added in 2008, the largest percentage of students have responded that they were either influenced by a high school accounting class or an introductory class they took in college. This year, the percentage of students who said they were influenced by an introductory accounting class in college decreased to 21 percent from 25 percent in 2013. Those who said they were influenced by a high school accounting class increased to 26 percent from 19 percent in 2013. Parents' influence increased in 2014 to 15 percent from 13 percent the prior year. The influence of friends remained low at only seven percent. Twenty-six percent reported that they were influenced by something other than one of the choices given, such as currently working in accounting, self-interest, mentors, and enjoys numbers.

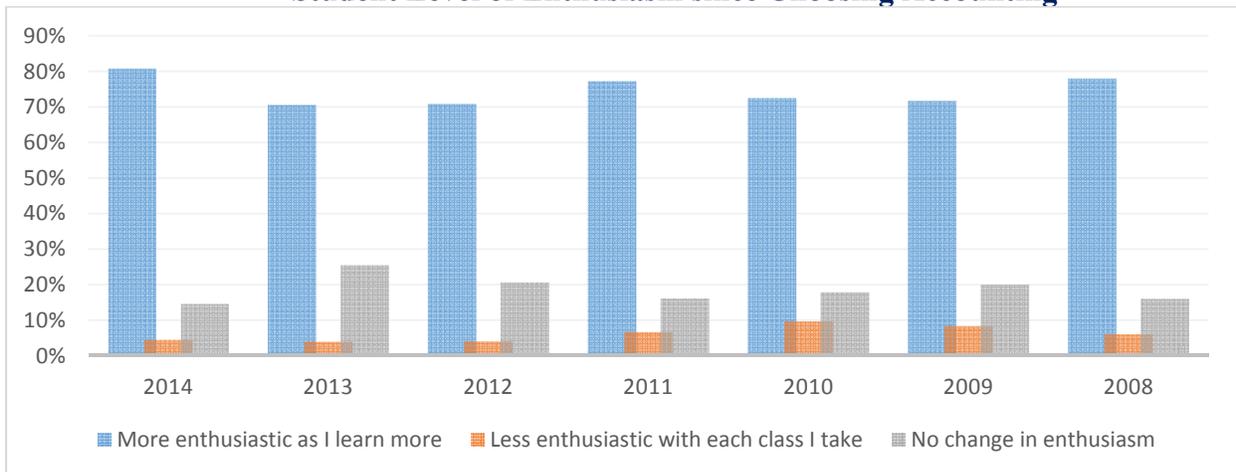
**Student Influences in Choosing Accounting**



### Student Level of Enthusiasm

Students were asked about their level of enthusiasm about accounting as a major – 81 percent in 2014 reported they were more enthusiastic a significant increase from 71 percent in 2013. In 2014, a smaller percentage than in 2013 said they have had no change in enthusiasm since they began. Only four percent in 2014 responded that they are less enthusiastic about accounting as their career choice from when they began.

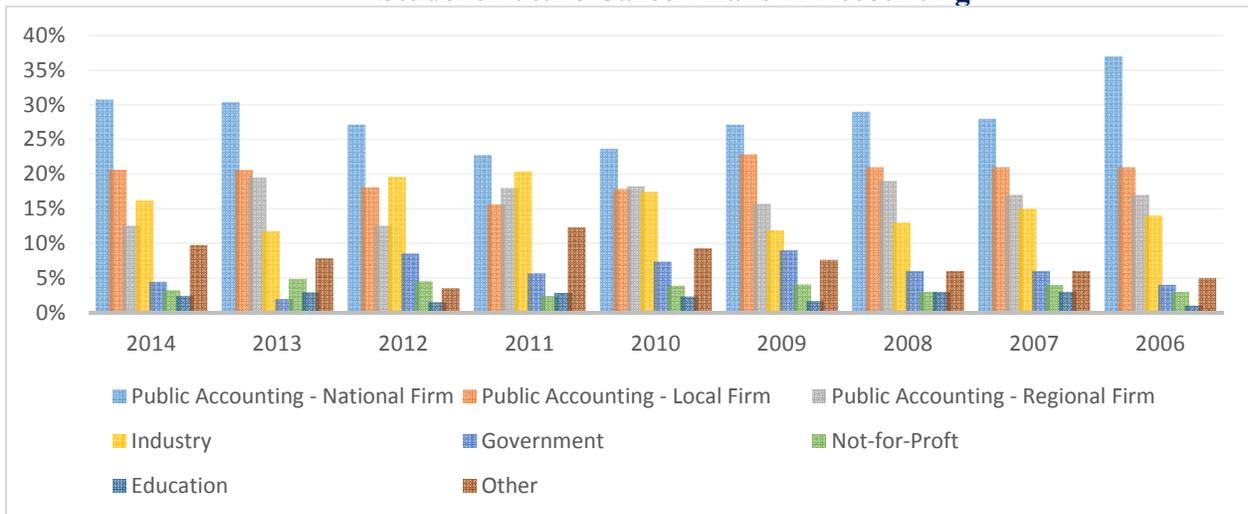
**Student Level of Enthusiasm since Choosing Accounting**



## Students Future Career Plans and Goals

INCPAS has been asking students on the Student Survey about their future plans in accounting. Specifically, we asked them what area of accounting they plan to pursue a career in after they graduate. In 2014, 64 percent of students reported that they plan to pursue a career in public accounting, either with a national, regional or local firm – an increase from 57 percent in 2013. The percentage of students choosing to pursue a career in public accounting had been on the decline since the survey began in 2006 when it was at 75 percent. Public accounting is still the top career choice for accounting students at this time. The percentage planning to pursue a career in industry remains increased slightly to 16 percent in 2014. This is an increase from the 12 percent in 2013. The number of students planning to pursue a career in education remains low but increased slightly in 2014. The percentage of students who are undecided or looking at other career options has increased from 8 percent in 2013 to just below ten percent in 2014.

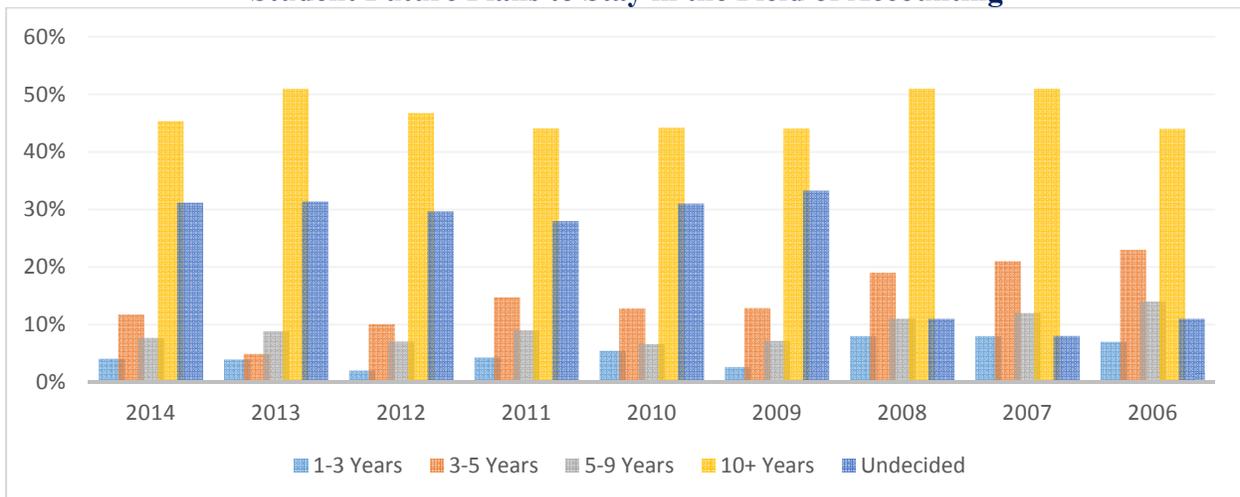
### Student Future Career Plans in Accounting



## Students' Plans for Staying in Accounting

When asked how long they plan to stay in the field they have chosen, the percentage of students planning to stay in the field for 10 or more years fell to 45 percent in 2014 from the 51 percent in 2013. The number of students who are undecided about how long they plan to stay in the CPA profession remained the same for the past couple of years at about 30 percent, which is still much higher than the eight percent in 2007.

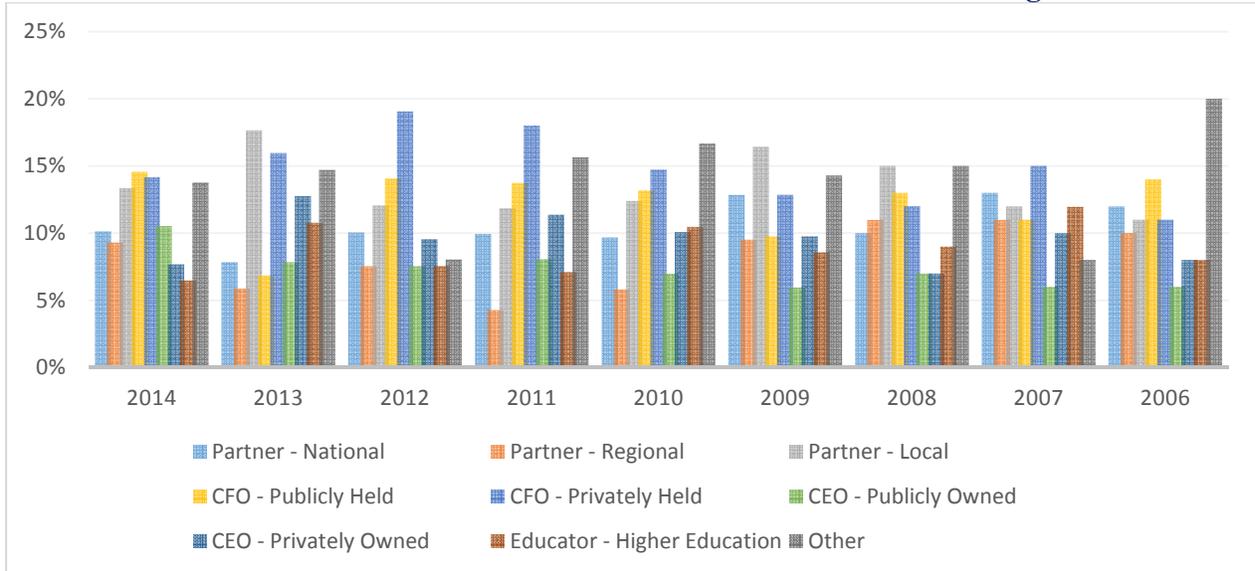
### Student Future Plans to Stay in the Field of Accounting



### Students Ultimate Future Career Goal

Since the survey began in 2006, students have been asked what their ultimate future career goal is in working in accounting. This year, 28 percent of students' ultimate goal is to become a CFO and 18 percent hope to become a CEO. The percentage of students who said their ultimate goal is to go into public accounting is 32 percent. The percentage of students planning to become an educator in higher education is the lowest at only six percent. Several students participating in the 2014 survey chose "Other" because they are unsure about their future goals at the time of the survey.

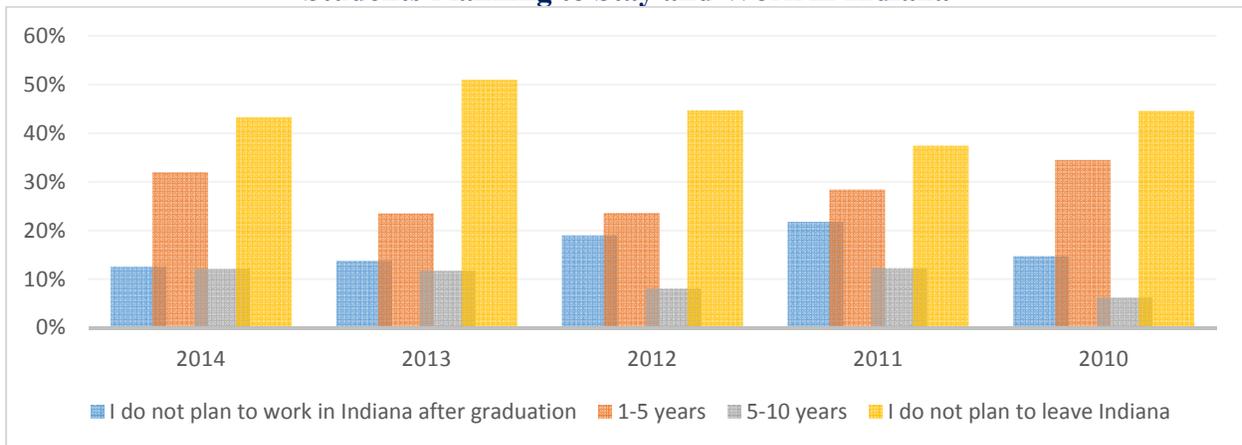
### Students Ultimate Future Career Goals in Accounting



### Students' Residency Plans After Graduation

In order to track and gain a better understanding of Indiana's "brain drain," the survey was revised in 2010 to include asking students how long they plan to work in Indiana after graduation. The percentage of students who do not plan to work in Indiana after graduation is the lowest it has ever been, dropping to 13 percent from 14 percent in 2013. The percentage planning to stay and work in Indiana for at least one to five years increased to 32 percent in 2014 from 23 percent in 2013. The percentage who said they plan to stay and work in Indiana for five to 10 years was remained the same at 12 percent in 2014 and 2013. The percentage of students who are not planning to leave Indiana after graduation or in the future is 43 percent. This number decreased from 51 percent in 2013.

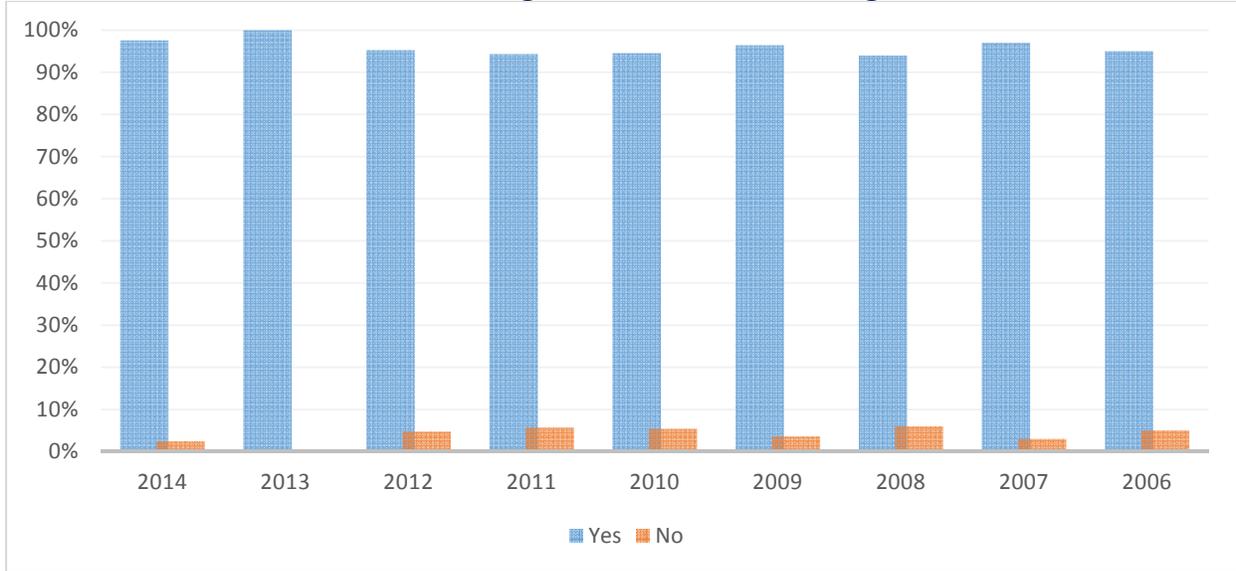
### Students Planning to Stay and Work in Indiana



### Students' Value of the CPA Designation

Since the survey began, the percentage of students planning to pursue the CPA designation remains consistently high – the results of this year’s survey show 98 percent of the students who responded plan to pursue the CPA credential. The percentage was the highest in 2013 when it was at 100 percent.

**Students Planning to Pursue the CPA Designation**

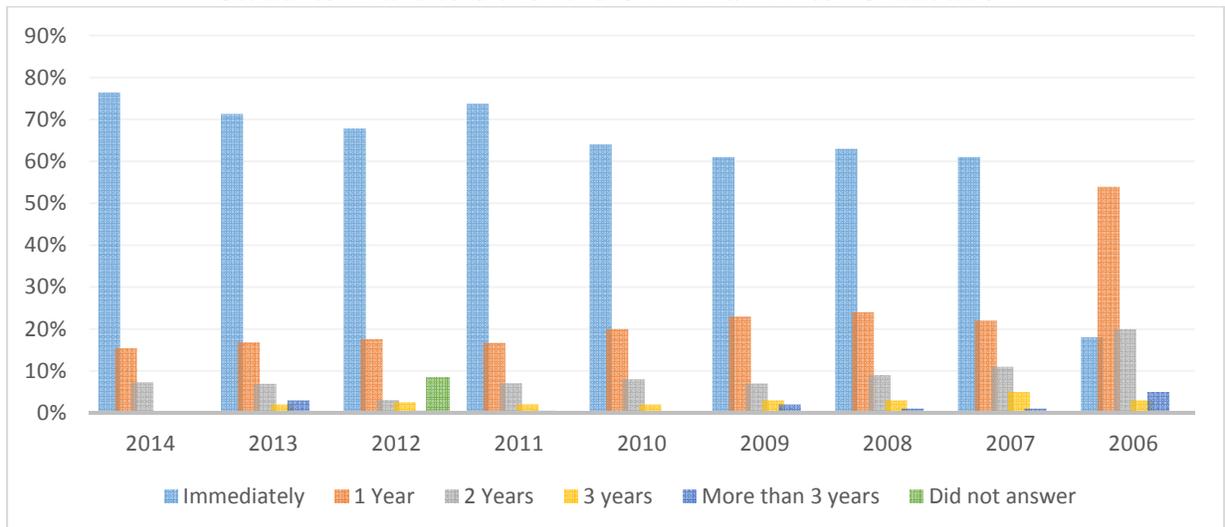


### Students' Plans for the CPA Examination

This year, 77 percent of students reported that they plan to sit for the CPA Exam immediately following graduation, the highest in the history of the survey. The percentage of those who said they will likely wait a year before sitting for the Exam has decreased slightly to 15 percent from 17 percent in 2013. The percentage of those planning to wait one to more than three years has decreased considerably over the years. In 2006, over 50 percent said they planned to wait at least one year.

When students were asked if they think the CPA credential is/will be valuable to their career, 98 percent of the total respondents answered “yes.” In 2013, 100 percent said it would be valuable.

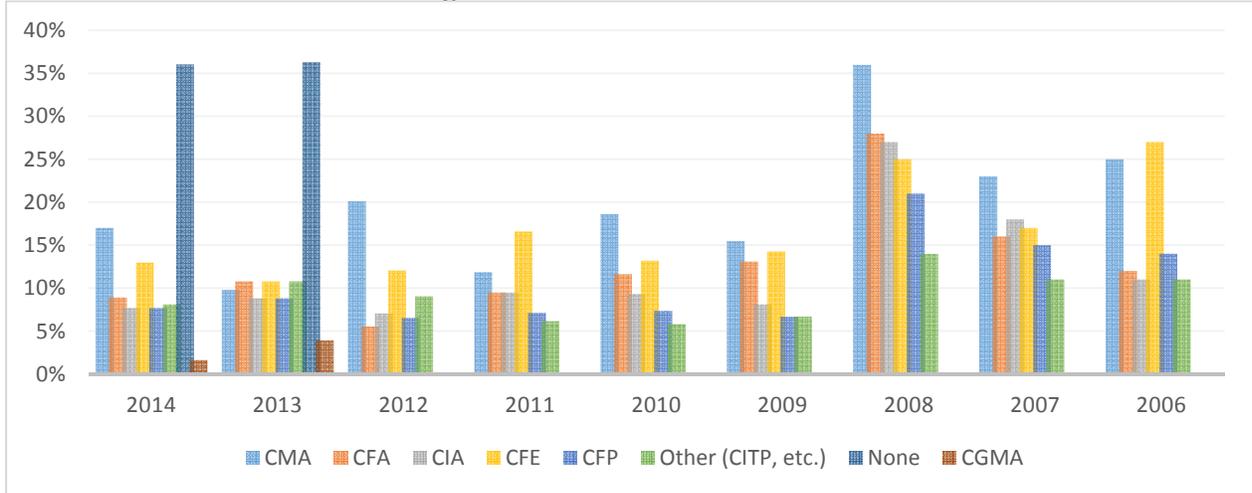
**Students' Plans to Sit for the CPA Exam After Graduation**



### Students Value of Other Credentials

Some students are still planning to pursue other credentials along with the CPA designation. The percentage of students planning to pursue another credential was much higher in 2008 and has decreased over the past few years. In 2014, the top choice of students was the Certified Management Accountant (CMA) and the second choice was the Certified Fraud Examiner (CFE).

**Students Planning to Pursue Other Credentials/Certifications**

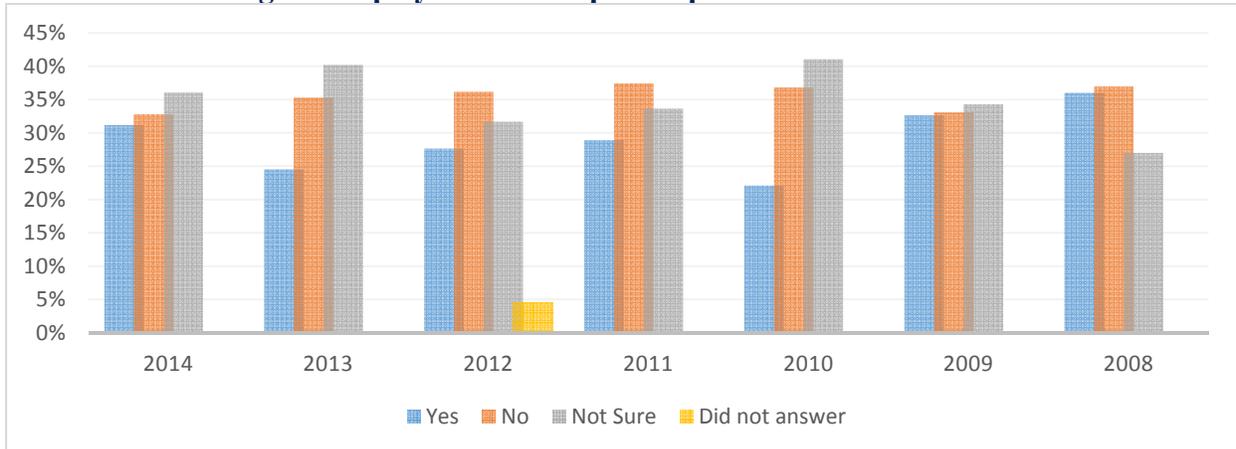


### Students Most Important Considerations in Choosing a Career

Work/life balance continues to rank as the most important consideration for students who will be entering the workforce and choosing an employer – it ranked number one for the past two years. From 2010-12, compensation was the top consideration. For the sixth year in a row, advancement potential ranked third and flexible scheduling ranked fourth. According to the survey results over the past seven years, students do not consider retirement plans, fringe benefits and community service opportunities as top considerations in choosing a career.

Students also were asked if they feel employers today put equal importance on the same considerations they do. The percentage of students who answered “no” to that question remains higher than those who responded “yes.” However, this year 31 percent said yes, up from 25 percent in 2013. The percentage of students who answered “not sure” continues to decrease from 41 percent in 2010 to 36 percent in 2014.

**Students Agree Employers Place Equal Importance on Same Considerations**

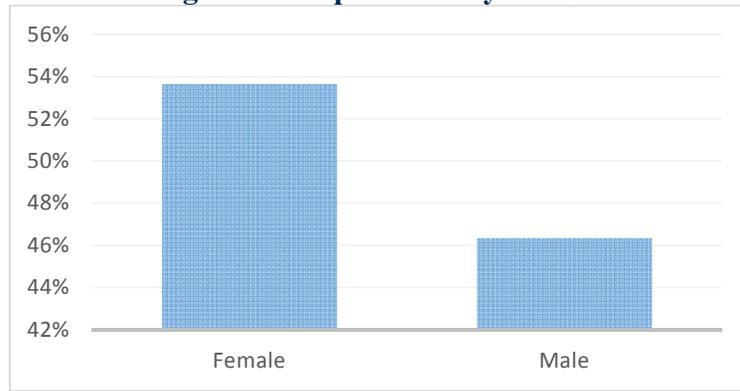


## Respondents Characteristics

### Student Gender

Of the students who completed this year's survey, 54 percent were female and 46 percent were male.

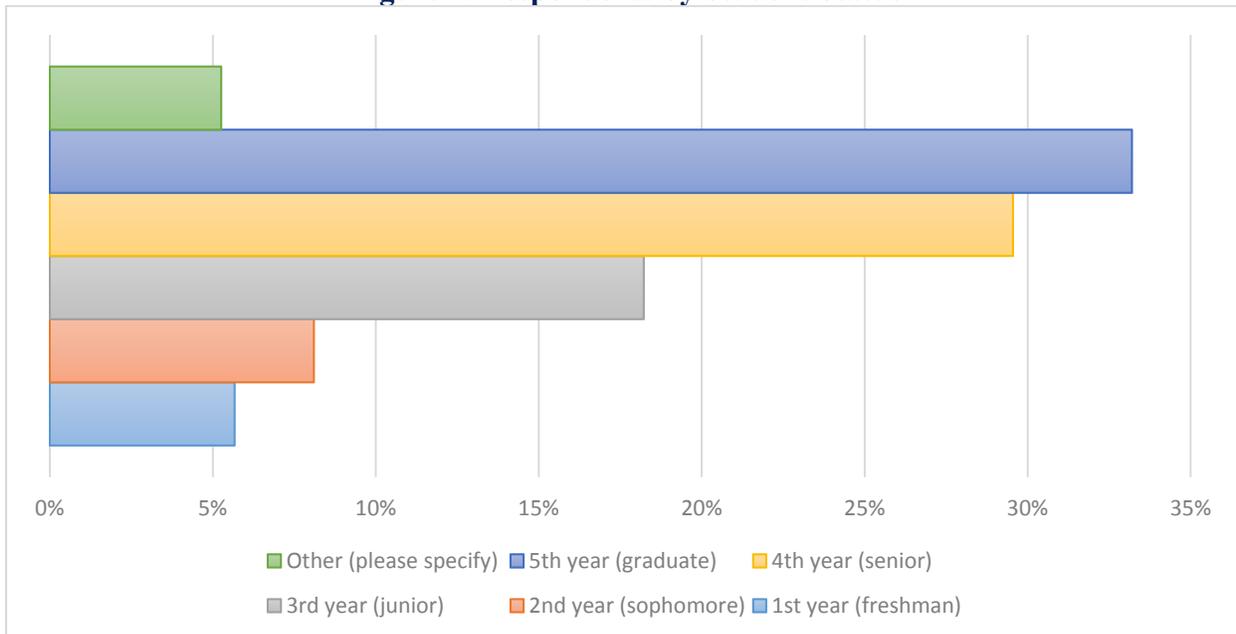
**Figure 1. Respondents by Gender**



### Student Status

Students who are currently in their fifth year were the highest percentage of respondents (33 percent) to this year's survey. The second highest percentage to respond to the survey were fourth year (senior) students and the third highest to respond were third year graduate students.

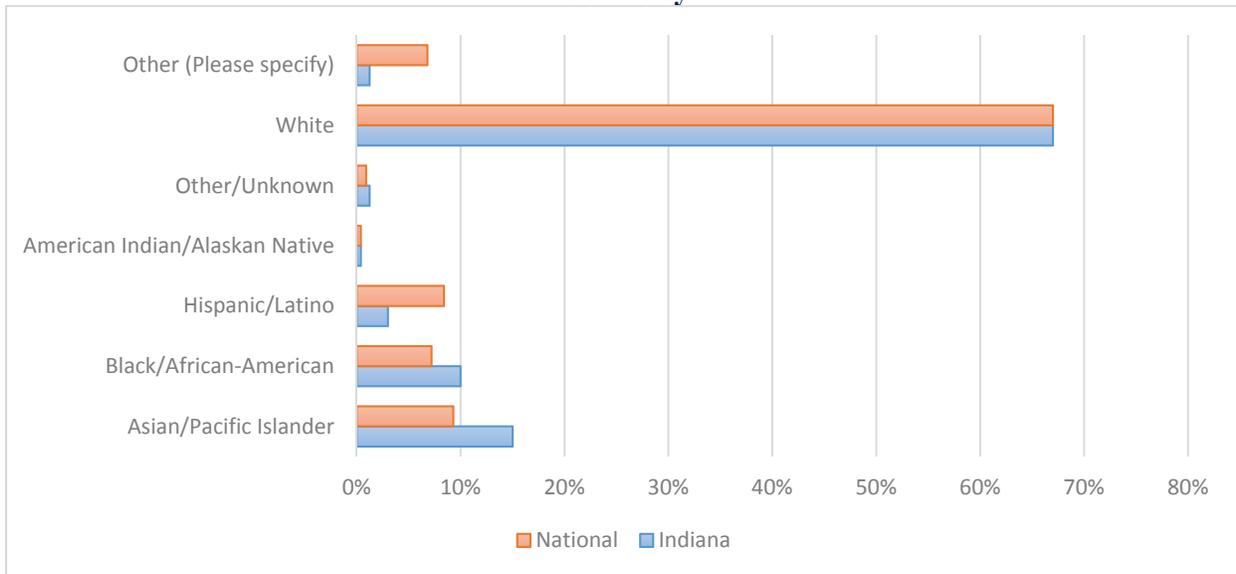
**Figure 2. Respondents by Student Status**



## Student Ethnicity

As the Society increases its diversity initiatives, it's important to assess the demographic makeup of accounting students in Indiana and compare it with national statistics. This year, questions regarding ethnicity were added. The majority of respondents, 67 percent, identify as white. Fifteen percent are Asian/Pacific Islander, 10 percent are Black/African-American and three percent are Hispanic/Latino. Less than a half percent identified with American Indian/Alaskan Native and one and a quarter percent answered other. In comparison to national data from the 2013 Trends Report these numbers are fairly comparable to national averages.

### Ethnicity



## Conclusion

The annual INCPAS Accounting Student Survey serves to gauge the career plans of its young members, and gather views on their future goals and the value of the CPA designation. This year, the percentage of students who say they are enthusiastic about becoming future CPAs is the highest it has been since the survey launched in 2006. This is

In 2006, the percentage of students planning to sit for the CPA Exam immediately following graduation was at its lowest. Since then, INCPAS has worked to encourage students to sit for the CPA Exam immediately following graduation and the percentage planning to do so rose to an all-time high this year with 77 percent of students planning to sit for the Exam immediately following graduation. The majority of students who participated think the designation will be valuable to their career. Some students also plan to pursue other credentials along with the CPA designation. The top choice this year is the Certified Management Accountant and the second is the Certified Fraud Examiner.

In order to track and gain a better understanding of Indiana's "brain drain," students are asked how long they plan to work in Indiana after graduation. The percentage of students who do not plan to work in Indiana after graduation is the lowest it has ever been, dropping to 13 percent. Those students who are not planning to leave Indiana after graduation or in the future decreased to 43 percent in 2014 from 51 percent in 2013.

As for their future career choice, nearly three quarters of the students who participated reported they plan to choose a career in public accounting. Public accounting has been and remains the top career choice for students. Of those choosing to go into public accounting, the highest percentage plan to work for a national firm and those planning to work in a local firm has not changed since 2013. The percentage of those planning to pursue a career in industry increased and those planning to work in government increased slightly. Choosing a career in not-for-profit is not a top choice for students, as the percentage increased decreased in 2014.

For the second consecutive year, work/life balance ranked as the top consideration for students in choosing a career field and compensation ranked second. Ranking third was advancement potential and fourth was flexible scheduling. Retirement plans, fringe benefits and community involvement have yet to rank in the top four considerations for students considering an employer since the survey began.

The percentage of students who think employers place equal importance on the same considerations they think are important, such as compensation and work/life balance, has increased. Whereas, the percentage that think employers do NOT place equal importance on the same considerations they think are important decreased. Some students were not sure how to answer the questions.

As the Society increases its diversity initiatives, we'll continue assess the demographic makeup of accounting students in Indiana and compare it with national statics. In comparison to national data from the 2013 Trends Report these numbers are fairly comparable to national averages. Specifically, Indiana has slightly more students identifying with Asian/pacific Islander and Black/African-American backgrounds compared to national averages. However, we're trailing national averages in students identifying as Hispanic/Latino.

The response rate for this year's survey was 30 percent. The survey invites were sent via email to student members and the survey also was promoted by teachers, students and social medial through a public access link. The majority of student responses came from the public access link. This was the first time we've used a method outside of traditional email to promote the survey.