



PricewaterhouseCoopers University for Faculty A Report by Associate Dean Kris Neslund

PwC's University for Faculty was held in Princeton, New Jersey during the entire week of July 17, 2006. Over 450 accounting professors from across the country attended.

Colleagues (Dean Mary Canning and Professor Joe Walsh) have noted in write-ups for prior years several of the recurring program features that have made a lasting impression. My report will focus on a different dimension of this year's University, one that made a deep imprint on me—although I must digress for a moment about one activity.

How could I not mention the surprise appearance of Bob Woodward in our last session. Mr. Woodward expertly grilled a mock CEO (played by a courageous but hapless accounting faculty) of a fictitious multinational company negotiating with a corrupt foreign regime for the exploitation of that third-world country's natural resources, arguably all to the detriment of the locals through environmental degradation. PwC broke us up into three groups: corporate executives, the press and environmentalists, which collided in the battle to "Save the Blue Frog!" The event was, and I mean this literally, riotous! Happily, no casualties were sustained.

Returning to serious matters, PwC brought together a host of luminaries to share their insights about the state and future of the accounting profession, including former House Ways and Means Chairman Archer, FASB chairman Herz, Columbia University business school dean (and former chair of the U.S. Council of Economic Advisors) Glenn Hubbard, and PwC chairman Dennis Nally. One message came through loud and clear: The accounting model is "broken" and accounting education is on the verge of obsolescence, the 150-hour requirement notwithstanding. Such views have been heard for years and have precipitated several relatively minor pre-Enron educational reforms generally intended to align accounting education with accounting practice as it existed in the 1990s and early 2000. But the revelations at Enron et al. have led to a renewed, highly energized, far more comprehensive rethinking of the profession, its financial accounting model, and its mechanism for educating new entrants.

This was music to my ears. I have had serious concerns about the profession since the mid-1990s. It was disheartening that no traction could be generated for real change until Enron and its ilk made incontrovertible the magnitude of the problems. What struck me profoundly at PwC University was the express acknowledgment by senior members of the accounting industry and government of these problems and the uniform call for immediate, comprehensive change. They urged academics to contribute to the development of a new accounting model, to radically revise the education of accountants, and to restore relevancy to research.

I was aware at the time that Golden Gate University was contemplating the creation of a School of Accounting under the leadership of School of Taxation Dean Mary Canning. I returned to San Francisco with a strong desire to take up the gauntlet thrown down in Princeton. Dean Canning agreed. GGU's new School of Accounting will seek to take a national leadership role in rethinking accounting education and in contributing to the larger discussions now occurring in the profession: convergence, corporate governance, professional responsibility, etc. I am indebted to PwC for having the courage and insight to "tell like it is", suggest a concrete path forward, and make a substantial financial commitment to help bring about reform in accounting academia.