

## **Final Year Accounting Internship Courses: Initial Experiences**

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### **Introduction and Methodology**

In the second half of 2013 and the first half of 2014 the University of Canterbury (UC) offered an internship course to a limited number of final year accounting students studying towards the Bachelor of Commerce degree. This was partly in response to UC's new statement of strategic intent that includes work integrated learning as one of its five pillars. The purpose of this paper is to present a description and analysis of how the experiences of these first groups of students are consistent with the literature surrounding the use of internships, with a particular emphasis on how they relate to experiential learning.

### **Brief Summary of Relevant Literature**

The importance of business specific issues, interpersonal competencies (or soft skills) and work experience or work-based-learning were the outcomes of a study completed by Andrews & Higson (2008).

In a study completed by Hergert (2009) it was concluded that internships have an important role in the business curriculum in that they help students to make connection between course work and the work place. In this study, more value was placed on internships particularly when there was a connection between the internships and the students' career goals.

In describing transformations taking place in higher education in the early 21<sup>st</sup> century Grubb & Lazerson (2005) identified the increased importance of higher order skills including communication skills, problem solving and reasoning. The development of these skills was possible through the use of internships.

The value in experiential education that integrates students' academic learning with the opportunity for direct learning was one of the drivers behind the case for requiring experiential learning to become part of the business curriculum that was made by McCarthy & McCarthy (2006).

The value of business students completing internships was the focus of the study by Lang & McNaught (2013). In this study the students indicated that their internship was the most useful part of their studies with many feeling that they had developed professionally and had increased their preparation for entering the graduate employment market. Other highlights of this study included a number of students gaining employment as a direct result of their internships.

The concept of experiential learning emerges in much of the literature in that students get to apply concepts learned in class to real life situations and then have the opportunity to reflect on this. In a study by Kosnik, Tingle & Blanton (2013) the benefits of using experiential learning projects from an administrative and pedagogical viewpoint were analysed using Kolb's Experiential Learning Cycle which is reproduced in figure 1. In the conclusion to this study it is stated that "learning by doing and applying previously acquired knowledge through experiential learning projects provide students with outstanding opportunities to hone their professional skills, apply and expand their academic knowledge, and develop moral character" (Kosnik et al, 2013).

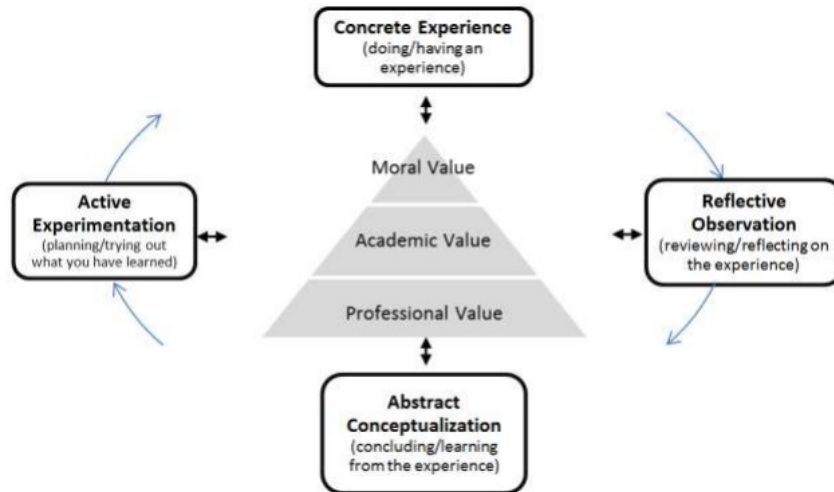


Figure 1 – Kolb’s Experiential Learning Cycle Reproduced from Kosnik, Tingle & Blanton (2013)

A Six Principle Model for Capstone Projects was developed in McNamara, Kift, Butler, Field, Brown & Gamble (2012) and is reproduced in figure 2. This model can be used for the evaluation of internship courses across a range of disciplines and includes 6 principles of transition, closure, diversity, engagement, assessment and evaluation.

As well as the importance of the principles in the model developed in McNamara et al (2012), the threads emerging from this brief summary of the literature include the following:

- ◆ The opportunities for soft skill development (Andrews & Higson, 2008; Grubb & Lazerson, 2005; Lang & McNaught, 2013; Kosnik et al 2013).
- ◆ Integrating theory or course work with practice (Hergert, 2009; McCarthy & McCarthy, 2006; Kosnik et al 2013).
- ◆ Preparation for employment or career aspirations (Hergert, 2009, Lang & McNaught, 2013; Kosnik et al 2013).

### **1. Transition**

An effective capstone experience supports transition by:

- Drawing on students' self-management and other legal skills to deal successfully with uncertainty, complexity and change;
- Assisting students in beginning to develop a sense of professional identity; and
- Supporting students to manage their career planning and development.

### **2. Closure**

An effective capstone experience provides closure by:

- Supporting students to integrate, synthesise and extend their learning in the program; and
- Enabling students to attain a sense of completion and an understanding of what it means to be a law graduate and a global citizen.

### **3. Diversity**

An effective capstone experience responds to diversity by:

- Enhancing students' capacity to engage with diversity in professional contexts; and
- Being inclusive of all students.

### **4. Engagement**

An effective capstone experience promotes student engagement by:

- Requiring students to assume active roles, to apply their learning in realistic and unfamiliar contexts and to take responsibility for their own work; and
- Providing opportunities for reflection to enable students to make connections between their learning and professional contexts and to assist the development of their professional identity.

### **5. Assessment**

An effective capstone assessment recognises the culminating nature of the experience by:

- Aligning assessment practice to the capstone principles; and
- Requiring students to make appropriate use of feedback and to reflect on their own capabilities and performance.

### **6. Evaluation**

An effective capstone experience:

- Should be regularly evaluated to ensure its relevance, coherence and alignment with the program;
- Contributes to the whole of program evaluation; and
- Contributes to the demonstration of student attainment of the discipline learning outcomes.

*Figure 2 - Six Principle Model for Capstone Projects (McNamara et al, 2012)*

## **Internships Completed**

Across the second half of 2013 and the first half of 2014 twenty (20) students completed the third year accounting internship course. The course that the students completed was a 15 point course which in the New Zealand higher education sector corresponds to 150 hours of student learning. The 150 hours in this course is made up of a 100 hour internship or project along with 50 hours of associated academic work that includes making a series of mini presentations, a final presentation, and the writing of a "reflection on learning" report.

There were three types of internships that were completed by the students with the most common being an internship being completed within a chartered accountants firm as shown in table A, with a significant number also completing accounting related projects within other organisations.

Type of Internship	Number Completed
Internship within a chartered accountants firm	10
Accounting related project completed within an organisation	8
IT and accounting related placement	2

*Table A – Types of Internships Completed*

The students who completed accounting projects within an organisation were quite varied with some including an investigation of tax related issues facing the organisation, while others involved project costings, with others relating to inventory control issues. The IT related projects included the documentation of accounting information systems and being involved in a project relating to the implementation of new software. The internships completed within chartered accountant firms were predominantly in their income tax or auditing departments, with eight (8) of these being summer internships.

As part of the students' reflection on learning reports the students were asked to identify their most significant learning from their internships. A summary of what was said by each student is shown in Table B.

Student	Most Significant Learning
A	Improved communication skills and being able to put things in to practice.
B	The most valuable learning point that I learnt was to be prepared to not get it right the first time, to go ahead with confidence.
C	Good foundation to build and develop these life-skills of communication and understanding of content
D	Putting learning into practice and the importance of communication.
E	Tax consultants require the ability to think on their feet and solve problems for clients quickly as the consequences can be far reaching
F	Expansion of my skill set and allow me to experience being in a professional work environment
G	Improved communication skills and making learning real
H	Problem solving, project management and communication skills
I	Working with different levels of management also helps to develop more effective people skills, and helps to develop a person's abilities to communicate on many different levels
J	Computer skills, inter-personal and communication skills, and teamwork.
K	Enhanced communications skills and increased confidence.
L	I have been able to have a different outlook of what accounting is really like. The skills and knowledge I have obtained from my internship has greatly helped my complete tasks at university. I am now more organised and able to grasp or visualise key concepts taught in courses, making it easier for me to understand what is being taught
M	The most important thing I learnt from this project is that real life situations can departure quite a lot from what's in the textbook
N	Real life experience and the development of critical thinking skills.
O	Engaging with a range of people and communicating with them
P	Importance of communication and how people interact in the work place

Q	In summary what I have learnt has been invaluable. Ranging from how to file tax returns, to how to deal with employees and to how important relationships are in business
R	Enhanced communications skills and being able to cope with being thrown in the deep end.
S	This project sharpened my technical IT skills as well as allowing me to practice and implement initiatives to improve process, justify financial expenditure and design tools which support the effectively delivery of a programme of work
T	Throughout the internship my understanding of accounting has substantially improved due to real world practice.

*Table B – Most Significant Areas of Learning during Internships*

### **Analysis and Discussion**

Of particular interest is the experience of the eight (8) students who completed summer internships within chartered accountants firms, and then completed the academic component of the course across the following semester. These students had completed the first two years of their Bachelor of Commerce degree and completed their internship prior to commencing their third and final year. This is quite different in concept to the idea of a capstone course which is completed by the student as one of the last pieces of work in their degree.

The students who completed a taxation based internship had completed a second year taxation course prior to their internship and while they were completing the academic reflection component of the internship course they were completing a third year taxation course. This contrasts with the students who completing an auditing based internship as these students only had a very brief introduction to auditing in another course prior to the internship, and then completed a third year auditing course while they were completing the academic reflection component of the internship.

Both groups of students highlighted the benefit of having completed the internship prior to their third year course in the subject related to their internship as this allowed them to apply their experiences to the new content that they were learning. The students completing the taxation internships found it particularly helpful to have completed a taxation course prior to the internship as this gave them a theoretical background to help them understand what they were required to do during the internship, whereas the students completing the audit internships found that not having theoretical background was one of their more challenging aspects.

Many of the students commented in their “reflection on learning” reports (see table B) about their enhanced communication skills, team work and confidence with this being consistent with the literature about the development of soft skills in internships (Andrews & Higson, 2008; Grubb & Lazerson, 2005; Lang & McNaught, 2013; Kosnik et al 2013).

When these two sets of experiences are looked at in the light of Kolb’s model for experiential learning (Kosnik et al, 2013) as shown in figure 1, it can be seen that the students completing the taxation internships started the cycle at the abstract conceptualisation phase, whereas the students completing the auditing internships started the cycle at the concrete experience phase. Once both sets of students had completed the concrete experience phase they completed the reflective observation phase of the cycle through the weekly meetings and assessment activities, and entered into a further phase of abstract conceptualisation by completing third year courses in parallel. Many of these students commented during their final presentations that reflecting on their internship

experience while completing the third year course that related to their internship was very helpful to their overall learning.

The internships can also be evaluated against the Six Principle Model for Capstone Projects that was included in figure 2 (McNamara et al, 2012). The first principle of Transition was evident with students developing a sense of identity and better management and communication skills. The second principle of Closure was evident in that students were able to develop more understanding of what it really means to be an accountant. The third principle of Diversity was present in the need to communicate and engage with a variety of other people. The fourth principle of Engagement was present in that the students were actively engaged in a real work environment. The fifth principle of Assessment was present in the assessment criteria used to assess the course. The sixth and final principle of Evaluation was present in that the student was required to interact on an ongoing basis with staff in their host organisation, the course supervisor, and other students in the weekly meetings.

### **Conclusions**

The introduction of the accounting internships course has been successful on a number of counts including the positive responses from the students regarding their experiences, development of soft skills and the evaluation of the collective experience based on the model from McNamara et al (2012). The evaluation of the students' learning and relating this to Kolb's model (Kosnik et al, 2013) indicates a strong link from what has taken place with experiential learning.

Further areas for research as the internship course continues to be offered include tracking the number of students who gain meaningful employment as a direct result of their internships and to gain empirical data from students about their experiences.

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