

An Empirical Study of the International Financial Reporting Standards Education in the United States

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Abstract : Accounting graduates in most United States universities are not being adequately taught International Financial Reporting Standards (IFRS). As such they are not prepared with the knowledge and skills necessary to remain competitive in international businesses. One of the reasons behind the ill preparation is the lack of specific international accounting instruction available in the U.S. This paper explores the importance of IFRS education through the lenses of graduate accounting majors. The paper specifically explores graduate accounting major's preparedness in IFRS based on their recent completion of a Master in Accountancy degree where IFRS had been integrated. The data for the study was collected via face-to-face and telephone/Skype interviews and questionnaires. After the interview the participants also agreed to answer two supplementary questions. The participants were to determine the amounts that should be reported on the balance sheet under (1) IFRS and (2) U.S. GAAP. These questions intended to test their knowledge of both sets of standards. The sample consisted of on-line and brick and mortar university students enrolled in their graduate program during the period from spring semester 2016 to summer semester 2016. This study shows that a separate course should be devoted to teaching IFRS and convergence related issues. There is a direct correlation between the knowledge level of those students taking an IFRS course and the successful completion of the supplementary questions compared to those who only had IFRS instruction mixed into their U.S. GAAP based instruction. Students who took an international accounting course were better prepared for the IFRS conversion than those who did not have a separate course. Academically, universities need to take a deeper look into the needs of their students and do better at incorporating international standards in their curriculum.

Keywords : accounting education, global accounting standards, international accounting, IFRS and U.S. GAAP convergence, IFRS, U.S. GAAP

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