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**IS THE CERTIFIED PUBLIC ACCOUNTANT A PROFESSIONAL? THE
PERCEPTIONS OF CPAS, FINANCIAL EXECUTIVES, BANKERS,
FINANCIAL ANALYSTS AND ATTORNEYS**

City University of New York

PH.D. 1982

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IS THE CERTIFIED PUBLIC ACCOUNTANT A PROFESSIONAL?

The perceptions of CPAs, financial executives,
bankers, financial analysts and attorneys.

by

Irene K. Douma

A dissertation submitted to the Graduate Faculty in
Business in partial fulfillment of the requirements
for the degree of Doctor of Philosophy, the City
University of New York.

1982

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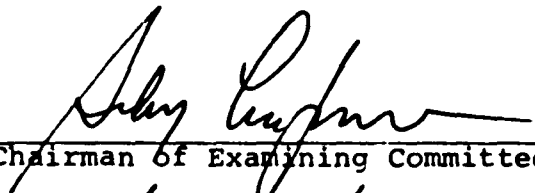
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This manuscript has been read and accepted for the Graduate Faculty in Business in satisfaction of the dissertation requirement for the degree of Doctor in Philosophy.

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Chairman of Examining Committee

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ABSTRACT

IS THE CERTIFIED PUBLIC ACCOUNTANT A PROFESSIONAL?
The perceptions of CPAs, financial executives,
bankers, financial analysts and attorneys.

by

Irene K. Douma

Adviser: Professor Sidney I. Lirtzman

The appropriateness of the ideal professional model is questioned in identifying the certified public accountant (CPA) as a professional. Due to the inherent limitations of the ideal model, a dynamic model is proposed to measure the perceived professional status of the CPA.

Five selected business groups recorded their perceptions on an Occupational Perception Questionnaire mailed to them. A total of 819 useable responses were received from the five different groups (233 CPAs, 214 bankers, 121 attorneys who specialize in securities law, 141 financial executives and 105 financial analysts.

Through the use of multidimensional scaling techniques and regression analyses, the significant professional attribute for the sampled groups was identified as autonomy. Bankers, as a distinct group, perceived the possession of an effective code of ethics to be significant. For the selected sample groups, a commitment to the ideal of service had an inverse relationship to professional status.

The empirical results indicate a discrepancy between the professional status accorded the CPAs and the perceived professional status that CPAs have of themselves. The respondent groups perceived the CPA to have the same or greater professional status than university or college professors and ministry. However, CPAs were perceived to be less professional than physicians and attorneys. In contrast, CPAs perceived themselves to be as professional as attorneys, university or college professors and ministry, but less than the physician.

The data supports the use of the dynamic model to ascertain professional status. Suggestions for improving the CPAs' professional status are indicated.

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CHAPTER I

INTRODUCTION

Professional status is sought by many occupational groups for the benefits that accrue to its members. Prestige, esteem, recognition by colleagues and others, monetary rewards, and control over the nature of one's work and resultant lifestyle are some of the significant benefits that are conferred to professionals. The occupations of medicine, law, university teaching and ministry have been recognized as the classical professions that arose from the medieval Church. The Church was the only source of intellectual knowledge and provided the educational framework for the classical professions. Commerce and its member merchants were necessary for economic development but were not considered to be members of the privileged class. In the 20th century, many changes have occurred in society. Commerce has become so significant that its members have sought and claim professional status. This research project focuses on one such group, the certified public accountants (CPA) and the validity of their claim of professional status from the perspective of groups that use the services of the CPA.

Evolving from commerce, (traditionally denied professional status because of the profit motive), the CPA has become a distinct occupational group which identifies itself as a profession. CPAs have gone through the professionalization process and maintain that they have all the attributes necessary to be designated as a professional group (Wilensky, 1964). The focus of this research is twofold. First, to determine what professional attributes of the classical profession are perceived to be relevant in denoting professional status and secondly, to determine the CPA's professional status from relevant referent groups such as bankers, attorneys who specialize in securities law, financial executives and financial analysts. These latter perceptions are compared with the CPA's perceptions of their professional status and other selected occupations. This comparison provides the CPA with data which focuses on the strengths and weaknesses of public accounting as a profession as perceived by selected members of the business community.

To gather the data, a questionnaire was designed, developed, tested and mailed to the specific groups on a random or total group basis. Based on an overall

response of 817 responses, the recorded perceptions were subjected to multidimensional scaling and multiple regression analyses. These analyses identified the significant professional attributes which group certain occupations as professions. Specifically, while the presence of an esoteric body of knowledge is considered important as a professional attribute, the professional dimensions of autonomy and a commitment to an effective code of ethics were considered to be the attributes that acted as cues in identifying certain occupations as professions. Ideal of service had a negative relationship to occupations designated as professions. The findings indicate that the classical model of professionalism is not relevant to the business community and that a dynamic model based on autonomy and ethics is relevant.

The subject groups of the research project perceive the CPA to possess some of the relevant professional attributes but not to the same extent as the professions of medicine and law. These views are in contrast with the perceptions of the CPA. The findings indicate the areas where the CPA can proceed to change his perceived professional status among the

users of public accountants' services. If the CPA is successful, he can enhance his professional status in the business community and facilitate better relations with his clients, with the community and with government in general. The CPA can also reap the aforementioned professional benefits such as prestige, esteem, economic benefits and autonomy.

The format of this dissertation is as follows. Chapter II describes the background of the professions, the research on the attributes of a profession and how it relates to accounting as a profession. Chapter III focuses on the appropriateness of the classical model in identifying an occupation as a profession and suggests a dynamic model based on the research done to date and the writings of such eminent sociologists as Everett Hughes, and Eliot Freidson and Maghali Larson. Chapter IV describes the actual methodology used to implement the research design. Chapter V provides the results of the empirical study. Chapter VI discusses the non-response bias issue as it relates to this survey. Chapter VII presents the significance of the findings, the limitations of the research project and suggestions for future research.

CHAPTER II

HISTORICAL PERSPECTIVE AND SUMMARY OF SIGNIFICANT RESEARCH

Historical Perspective

From the early 1900s to the present, accounting literature refers to accounting as a profession. The public accounting sector has received recognition as a professional group by our judicial system, most clients and at times by the general public. However, a careful search of the accounting and sociological literature reveals a paucity of research that supports the premise that public accounting has professional status. Goode (1969) refers to the four great professions as those of law, medicine, ministry and university teaching. In addition, Goode makes references to occupations which have become professions in the last generation. These occupations include dentistry, certified public accounting, clinical psychology and certain high levels of scientific and engineering fields. Larson (1977) also refers to the professions of accountancy and engineering in a bureaucratic structure. Wilensky (1964) describes

accounting as an occupation that has undergone the process of professionalization. Despite these references and those of others, there is little empirical research to support the premise that certified public accounting is a profession. The accounting literature often makes reference to accounting as one of the oldest, largest and fastest growing professions (Montagna, 1973). What is not clear is whether the references to professional status depict the current state of CPAs or one the CPAs hope to achieve.

Does the process of professionalization as described by Wilensky (1964) or Caplow (1966) give the CPAs automatic professional status because they have completed the process? Rettig, Jacobson and Pasamanick (1959) indicate that the referent group is significant in conferring status. They view status as a social-psychological variable which reflects a relationship between two individuals or groups. Therefore, to the CPA, simple or sophisticated claims of professional status do not indicate its existence. Professional status for the CPA would be determined by clients, members of government, peers and society.

During the last ten to fifteen years, accounting has

experienced many conflicting roles and references. For example, the United States judicial system has used the testimony of accountants as experts and made references to accounting as a profession. Academe instructs students in a body of knowledge that will enable entry into the "profession" providing other requirements are met. Nevertheless, during the 1960s and the 1970s, the CPA was assailed by the public as being self-serving and failing to fulfil the role of a professional. Accountants were accused of not having a theoretical framework for their knowledge and that accounting rules were created to solve specific problems as they emerged. Failure to adequately monitor and correct aberrant behavior of its members resulted in severe criticism of the profession. During this time period it was suggested that the services of the CPA be placed under the jurisdiction of a government agency. The Moss and Metcalf Committees investigated that structure and framework of the accounting profession and similarly levied many criticisms. To date, the Securities and Exchange Commission (SEC) issues statements on the certified public accountants' ability to direct and govern their work and responsibilities to clients and public alike.

The focus of this research project is on the certified public accountant who conducts audits for the attest function and also provides tax and management advisory services. Any reference to accountants in the private sector or the government sector will be incidental to the thrust of this research.

Survey of the Literature

The literature dealing with professions as a distinct occupational group may be subdivided into three categories. The first category deals with the sociological literature on the significance of work to man and the nature of the professions as a special group. This literature is broad in nature and tends to be normative rather than empirical. Observations and characteristics of professions are described. The professionalization process is related to various occupational groups. The second category is more research oriented in that it reflects the various attempts made to measure prestige and status of various occupations. There was no real effort made to relate the attributes of a profession to prestige and status. The third category represents the accounting literature which

refers to claims of professional status for the CPA. There have been some empirical studies which purport to measure the image of the CPA but these are few in number and of limited scope.

The Sociological Literature

Rooted in the medieval Church, the professions of medicine, law, university teaching and ministry are traced to their present state by Elliott (1972), Krause (1971) and Moore (1970). Elliott places considerable emphasis on the English background of the modern professions while Krause and Moore are more general in their discussion about the professions. These publications are illustrative of the normative literature which abounds on professions and professionalization. There are anthologies of articles which are edited by such sociologists as Vollmer and Mills (1966), Nosow and Form (1969), Etzioni (1969), Jackson (1970), and Freidson (1972). These anthologies deal with the history of the professions, the attributes of a profession and review specific professions as to their origins, their present status and speculative insights of their future. Other articles such as those written by Greenwood (1957) and Goode (1957, 1960a, 1960b)

represent the type of articles written on attributes of a profession and the manner in which occupations seek professional status. The literature appears to reach a consensus on the type of professional attributes that are necessary. Essentially, a profession must have an esoteric body of knowledge acquired through a long education and training process. Second, the occupations must have an orientation of service to the community rather than the self. Third, there must be an effective code of ethics to guide and discipline members. A professional association usually exists to provide the fraternal framework by which knowledge, ethics, rewards and sanctions are distributed to members. Fourth, the occupational group has the ability and official sanction to proceed on its own, using professional judgment and expertise. The client and the public must recognize the authority of the professional group.

Professional status is not obtained by claiming such status at some point in time. Wilensky (1964) and Goode (1969) describe professionalism as a continuum where different occupational groups may be found in their quest for professional status. Wilensky points out that not all of the professional dimensions are

present at the same time, in the same quantity or in the same order for all occupations that seek professional status. Some occupations are more successful in incorporating one of the attributes as opposed to another and the continuum approach permits the recognition of this phenomenon. Professionalization is a changing state that portrays some occupations as having reached the professional state while other occupations are moving toward professional status. For example medicine is considered a profession while the social worker is still seeking to achieve this status. The difficulty in using an attribute approach to determine professional status is that the comparison is usually made in terms of the ideal doctor, lawyer, professor, minister/rabbi. This approach as Freidson (1970) and Moore (1970) note is not realistic because it does not provide for the fact that the actual attributes of recognized professions may not and/or do not match the ideal model's attributes. Further, Moore (1970) astutely observed the dichotomy between a professional and non-professional may be too rigid when looking at the attributes of an occupation and thereby avoiding the recognition of the professionalization process.

Goode (1969) notes that an occupation aspiring to professional status may go through a process where they claim such status before they are actually recognized as a profession by society. For example references may be made to fellow members as to the concepts of ideal of service to the community by the profession. Subsequently, the occupation group incorporates these thoughts into goals or description of fact so that the thoughts are made part of the occupation's goals or objectives. These goals are then subject to a vote of confidence from its members. If these goals are accepted by the occupational group then this is considered as acceptance of power and autonomy from the community which is then used as a basis to claim professional status. Barber (1963) views an emerging profession as one that possesses a theoretical body of knowledge and a community orientation. The status of the occupational group is considered as defined by itself and others. Accountancy is referred to as one of the emerging professions as it is the elite of the accounting groups that has pushed for professional status and has claimed it.

Despite the lack of empirical research on what attributes distinguish an occupation from a profession, this

normative literature provides the ideal model for professions. This model supersedes the aristocratic model of the landed gentry. The post industrial revolution period perceives professionals from a different perspective than the aristocratic model. The strong ties to the Church and the landed gentry are no longer relevant. Rather, the "neo-classical" professional had more training in specific areas as well as the traditional education in the classics and the arts. The professions of medicine, law, ministry and university teaching were referred to as the great person professions. These occupations were segregated because they were perceived to have an esoteric body of knowledge which required a long period of education and training. They were also perceived as responding to a "calling" where services were provided for the good of the community. Economic rewards were not considered significant. The client's welfare was considered paramount and a code of professional ethics was established to guide the professional. In addition, professional associations were formed to further the goals of the professions and help enforce the code of ethics.

To facilitate the understanding of the ideal or "neo-classical" model, a schematic interpretation of the model is presented below.

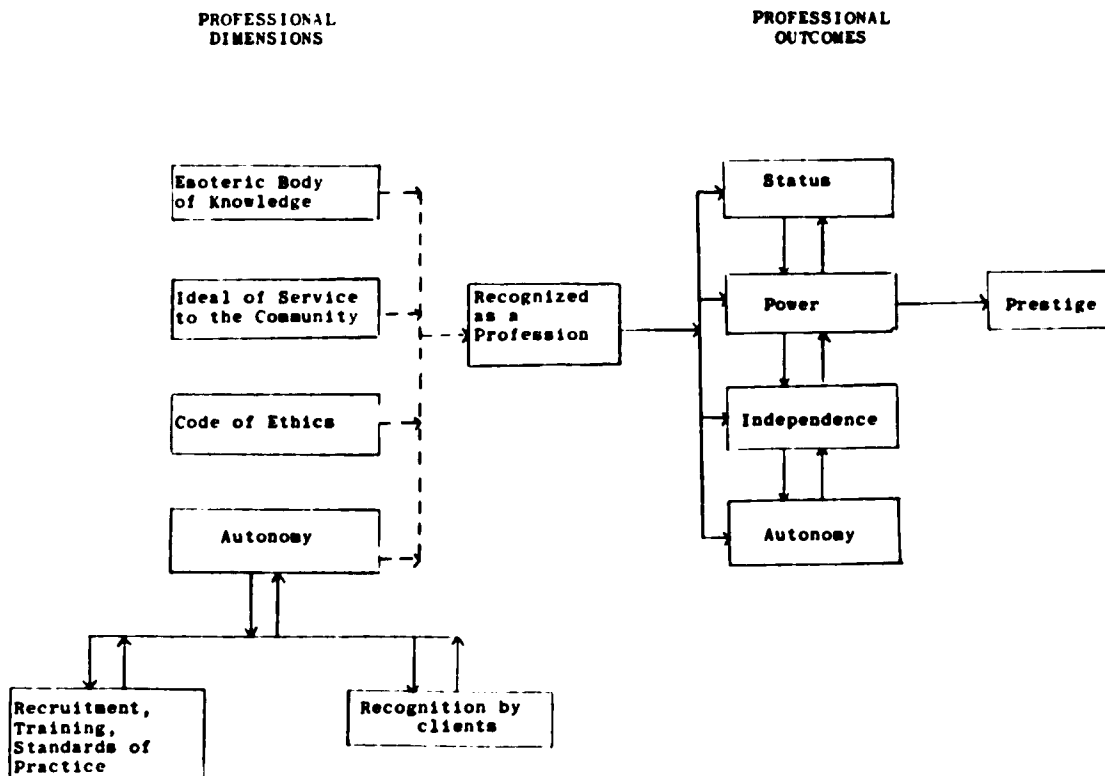


Figure 2-1. THE IDEAL PROFESSIONAL MODEL

In this ideal model, the number of professional dimensions has been reduced to four to facilitate analyses

and interpretation of data. This condensation process does not eliminate any of the professional attributes in the sociological literature (Greenwood, 1957; Goode, 1969; Moore, 1970).

A series of schedules (Appendix A) have been prepared to relate four professional dimensions shown in the ideal model. The four classical professions are related to these attributes and a notation is made where a particular dimension or attribute is perceived to exist for the professions of medicine, law, university teaching and ministry. The nature and definition of the professional dimensions are detailed in Chapter III where the dynamic model used in this research project is illustrated and discussed.

Everett C. Hughes made a significant contribution to the sociological literature through his recorded observations and interpretations of man's relationship to work. Hughes (1958) notes that man's work is significant because it determines the identity of the self and at the same time provides social identity. The social values of work are based on how an individual enters an occupation, on the attitude the individual

has toward his work and the implied standing that any particular occupation has in a given community. Goode's analysis (1960) of the work environment and its meaning to man and society yields findings that are similar to those of Hughes. In his analysis of the professions as a distinct social group, Hughes indicates that "professions" has become a term of social value and prestige. Consequently, people who practice in a given occupation attempt to positively revise the perceptions that people have of that occupation and its members. In the process, the conception of the self and the nature and significance of work also changes. Hughes (1970) thought people would model themselves after professions because "professions do not merely serve; they define the very wants which they serve" (p. 152). To maintain control, each profession desires and secures a monopoly by limiting its area of activities and responsibilities and at the same time is successful in delegating to other groups related tasks and responsibilities that it does not wish to assume.

The significance of the tasks performed by professionals and the mystery or aura associated with such tasks give the professional deferential treatment from the

public and the clients. The expertise of the professional is viewed as the justification for permitting the professionals to determine the length and the nature of entry into the profession, recruitment requirements and the judgment of professional services by peers as opposed to the public. In essence, the professional perceives himself to be autonomous. In return for the expertise provided by the professional, society awards status, power, economic reward, organizational independence and autonomy where it is perceived to be necessary to perform the tasks of the professional. The professional is given the right to determine his working conditions and how he is going to do his work. By according such an exclusive power base to the professional, society has conferred prestige to the professional.

From the foregoing description one can see that Hughes was not in complete agreement with the ideal model's identification of an occupation as a profession. His views were contrary to that of his contemporaries because he did not assume that the mere claims of existence of all professional attributes described in

the ideal model would result in professional status. The ideal model was accepted by sociologists until the Chicago school spearheaded by Hughes questioned the validity of the ideal model.

Eliot Freidson, a disciple of Hughes (at the University of Chicago), did extensive research and analysis of the medical profession (1970, 1973). Through his analysis of the medical profession, Freidson like Hughes maintain that the professional model should reflect what the acknowledged professionals are doing to sustain their elite status and prestige. The use of the medical field as a point of analysis appears appropriate because of the professional recognition that is given to this occupational group (Cates, 1965; Freidson, 1970; Daniels, 1973; Larson, 1977). The medical profession is viewed as the epitome of the established professions. The elements that compose the ideal professional model appear to draw from the ideology and practice of the established professions. Many newer occupations aspire to acquire professional status by modeling themselves after the medical profession. Once more, the literature of this period is normative. While it describes the attributes of professionalism

there is no attempt to measure the effectiveness of the ideal professional model. Instead, the writings of Freidson point out that the classical attributes of professionalism had to be redefined and reinterpreted to reflect what the actual dimensions are of the professional model.

Based on the writings of Freidson and the difficulties encountered by Miller and Fry (1976) in attempting to measure professionalism using the ideal model, a new model was developed for implementation in this research project. This model is identified as a dynamic model because it allows for the recognition of the fluid nature of the professions. This model emphasizes that mere presence of the professional dimensions described in the ideal model (esoteric body of knowledge, commitment to the ideal of service, presence of an effective code of ethics and autonomy) does not give an occupation group professional status. Hall (1968), Snizek (1972) and Miller and Fry noted this phenomenon in their research studies while Wilensky (1964) did not indicate any problem with the ideal model. A brief summary of these four research studies is given to lend emphasis to the strengths and weaknesses of the ideal model.

Wilensky (1964) emphasizes the value of the traditional (ideal) professional model as a means of understanding the claim that all work is being professionalized. He focuses on the dimensions of autonomous expertise and the ideal of service as a means of analyzing which professions will attain professional status and which will not. He examined 18 professions to determine the steps of professionalization. Interviews with 490 professors, lawyers and engineers were used to determine the reasons for power and status struggle among these groups. Data resulting from the interviews on conflicts between professional, organizational and client orientation indicated that the bureaucratic structure weakens the ideal of service more than the concept of autonomy and that client orientation has a negative effect on colleague control and professional norms. The data of the study represent the tabulated perceptions of respondents with very limited mathematical analysis. In the study, the CPA is accorded full professional status, but there is no reason given for this status aside from the fact that the occupation does have the attributes the author perceives as necessary.

Hall (1968) used the Wilensky format for the professional dimensions in a research study investigating the relationship between professionalization and bureaucratization. A bureaucratic scale was developed from data on personnel managers and stockbrokers while the attitudinal scale was based on Wilensky's findings (1964). Various organizations were selected to participate in the study. The sample included physicians, nurses, accountants, teachers, lawyers, social workers, stockbrokers, librarians, engineers, advertising and personnel managers.

The significant result of this research was that the scale did not measure what was expected. It was noted that the structure and attitude about professionalization did not necessarily coincide. The scale was developed using the ideal model and respondents answered in a manner they perceived to be appropriate for that status which was sought. Also, the questionnaire dealt with perceptions of the self and not others.

Snizek (1972) noted weaknesses in Hall's scale of professionalism. Through the use of factor analysis the scale was improved by reducing the number of items

from 50 to 25 and improving the language. The revised scale is designed to determine the main professional dimensions and measure an individual's standing along the professional dimension. The attitudes measured by the Hall-Snizek scale relate to the symbolic publicly stressed image of professionalism. The scale does not measure a professional relationship of shared attitudes that result from common participation in professional activities. Consequently, one may see members of an occupational group seeking professional status emulating those attributes which are perceived as essential for professional status. This previously described behavior pattern would not be regarded as appropriate for the established professions and thus would not be subject to measurement.

Miller and Fry (1976) used the Hall-Snizek scale to study the level of professionalism in police related occupations. The scale measures the ideal professional concept as perceived by the self rather than members outside the occupational group. In their results, Miller and Fry noted that the law enforcement officer could identify himself with the ideal model. The limitations of the Hall-Snizek scale persisted in this

research. Questions remained with respect to the appropriateness of the scale design due to item monotony and whether the autonomy subscale of the established professions could be applied to police officers with any degree of reliability and validity.

Larson's review of professionalism (1977) indicates that the ideal model does not tell what a profession is but what a profession pretends to be. A review of the medical and law profession challenges the validity of the ideal sociological model. For example, the effectiveness of colleague control in the fields of medicine and law can be questioned. Further, Larson notes that in these professions, the status of the practitioner is not only affected by skill or expertise but also by the nature of the clientele and these are not considered in the ideal model.

The dynamic model derived from the writings of Freidson (1970), Moore (1970) and Larson (1977) places more emphasis on the professional dimension of autonomy and power of control. Further, the dynamic and ideal models are very similar except for the concept of autonomy, the effects of government sanction on autonomy through the licensing mechanism and to the tangible

and intangible benefits which accrue to the professional from his control of the profession.

The main thrust of the Freidson approach to evaluating an occupation's claim to professional status is the group's ability to control the content of their work and who may perform the services of the occupational group. Only a professional group is deemed able to evaluate and define what is acceptable within its own work environment. Outsiders or laymen are not considered competent to evaluate the work of a professional because of the lack of expertise in the field. Professional occupations obtain this power of control through governmental licensing whose basic requirements are determined by the profession. Licensing precludes outsiders or non-professionals from practicing the specific occupation. Through its professional associations, professions are able to obtain enough political influence so that members of the profession are placed on licensing boards and in areas of government to insure that governmental support exists for the profession. Freidson like Hughes, does not dismiss the other dimensions of the other professional model as unnecessary, rather he feels that the real key to professional status is autonomy and the other dimensions serve to support claims of professional status.

The ideal model does not address the question of significance for the professional attributes. It assumes that all of the attributes must be present for professional status. The issue of relevancy of the professional attributes is not addressed. The dynamic model proposes to identify the significant professional dimensions that identify an occupation as a profession.

Larson (1977) like Freidson recognizes the limitations of the ideal or aristocratic model in describing an occupation as a profession. Tracing the history of professionalism from the medieval Church in Europe to the Industrial Revolution in England and to the professions in the United States, she focuses on the effect of the marketplace in defining professions. Her thrust in examining the professions deviates from other sociologists because of her emphasis on achievement and efficiency in the capital markets. The traditional model of the elite professional is reconciled to the need for expertise in a post Civil War burgeoning economy.

The stress on scientific management and the corporate structure created a demand for new specialties. Emerging occupations such as engineering, accounting and

architecture were recognized as new professions. The older professions and the new professions were increasing their expertise and skills by developing close ties to the formal university system. According to Larson modern professionalization is an attempt to secure scarce knowledge and skills in order to claim social recognition and economic rewards (p. 136). Corporate structure and the political structure are the means for change in the ideology of the professions. Emphasis is on efficiency regulation and expertise (p. 143). The corporate structure, the state and the university are the significant factors for legitimizing the social structure of the old and newer professions (p. 145). As professions grow, they gain autonomy through the production of knowledge and the power of the state. At its peak, a profession has the authority to self-evaluate and self-control, therefore it is not affected by external regulation. Professions are allowed to define the standards against which the members are evaluated and thus are insulated from review by laity.

Throughout Larson's analysis of the professions, the accountant is referred to as a new professional but

again there is no empirical evidence to support this assertion. There are other sociologists such as Talcott Parsons who, despite perceived similarities between business and professions, question whether business can be a profession because of its economic motives. Business is viewed as acquisitive with emphasis on economic man whereas, the professional is viewed as being above economic considerations and interested in serving the needs of society. Parsons acknowledges that application of professional criteria should be considered in overall terms rather than in terms of individual profit transactions. Hall and Thompson (1964) also question professional status for business and cite several reasons why business cannot be a profession. They mention the lack of a specialized body of knowledge, the lack of fraternal control and the lack of social responsibility. Nevertheless, they do note that "an occupation is professional only if members of society consider it so--and these evaluations change. They change because occupations change, and occupations change because conditions giving rise to them change" (p. 44). Such observations do raise the issue that business or some aspects of business can acquire professional status, and again the CPA is not

referred to specifically in the literature which deals with business as a profession.

Barber (1963) notes that while business is acknowledging some social responsibility, it has not achieved enough to meet the requirements of a profession. How to quantify these requirements is not specified. He further points out that business in general lacks a theoretical body of knowledge and thus is precluded from professional status. The CPA is part of the business community, but Barber does not attempt to analyze the role of the CPA.

In essence, the sociological literature provides a theoretical framework that is used as a basis in developing and testing a dynamic model of professionalism. The CPA's professional attributes will be evaluated along these professional dimensions to measure his perceived professional status among those who use his services and those who work with him.

Occupational Status and Prestige Literature

The sociological literature which deals with status and prestige may be sub-divided into two categories.

First, there is literature that describes the significance of prestige and its source. Second, literature that describes various studies of how occupations are ranked in terms of prestige.

Treiman's analysis of occupational prestige (1977) provides insight as to the definition and significance of prestige. Treiman considers prestige a moral worth recognized by society whose basis includes the occupational role, accomplishments, wealth, income and the mode of its acquisition, style of life, level of educational attainment, political or corporate power, proximity to persons who exercise political or corporate power, kinship connections, ethnicity, performance on the behalf of society and the possession of such deferences as titles or ranks. It is the perception of possessing these attributes that determines whether or not individuals or groups are given deference (p. 20). Goode (1969) notes that the professional occupations are awarded high prestigious rankings because of their dedication to service, high levels of education and high levels of income. Moore (1970) notes that an occupation's prestige and economic position may be improved by increasing the demand for a service while

maintaining or decreasing the supply of certain occupational groups. Hall and Thompson (1964) like Treiman (1977) maintain that occupational roles are very significant in determining the levels of prestige which are awarded to individuals or groups. Because of the significance of occupational roles in determining status and prestige, many individual studies have been made to measure status and prestige.

Hodge, Siegal and Rossie (1964) did a replication of the 1947 North-Hatt NORC study of occupational prestige. Essentially it was a rank ordering of 90 occupations. The conclusion of this research indicates that there is no significant change in prestige over time. This study included doctors, lawyers and other professionals such as judges, chemists, etc. Accountants were ranked below the physicians, lawyers, college professors or ministry. Since the CPA is a special group within the broad category of accountants, no direct conclusions as to the professional status or prestige of the CPA can be made.

Garbin and Bates (1966) identify six prestige trait relationships through a review of thirty occupations and twenty differential traits. The focus of this

research was on the perceived evaluations made by subjects as to prestige and selected occupational traits. The underlying assumption of using the subjective approach is centered upon the belief that attributes are more affected by what the attitude holder believes as existing rather than what may exist (p. 296). They noted the six leading correlates of prestige to be significant. In the interpersonal relations area, the desirability of association with members of the occupational group was considered significant. The intellectual and training requirements were significant in the area of intelligence required; scarcity of qualified personnel to do the job; training required and the education level required. The sixth correlate dealt with the intrinsic nature of work, that is, the occupation was considered as interesting and provided challenging work. These findings were consistent with previous studies on prestige. The role of the CPA was not considered in this study.

Simpson and Simpson (1960) attempt to identify the various factors that can explain differences in prestige ranking among different occupations. These factors would then be used to construct an index of

prestige. Using the variable of responsibility, training, education and skill required, an evaluation of 90 occupations selected by the National Opinion Research Center (NORC) was made. Through the use of multiple correlation techniques it was shown that responsibility, training, education and skill and autonomy had a .96r with NORC prestige scores. The study supports the view that these variables may be predictors of prestige. The CPA as a distinct occupational group was not part of this study.

Kettig, Jacobson and Pasamanick (1959) explored the significance of the reference group in the status assigned to an occupation. This study focuses on the occupations of psychiatry, psychology, social work, nursing and teaching. This study supports the hypothesis that status of the reference group and the magnitude of the relationship of the reference group will have a significant effect on the status accorded to an occupation. While this study does not deal with the CPA as a distinct occupational group, its implications are that various sectors of the business community and other CPAs would provide valuable input in determining empirically the professional status of the CPA.

Nelson and McDonagh (1961) examined the effect of the social situation and social cues on the status of an occupation. Twelve variables (related to nine occupations) were examined. The business executive was included in the study as well as the doctor and lawyer. The business executive was not evaluated as highly as the other occupational groups. In six out of ten categories, he was ranked last. In ranking the profession, the physician and the clergy were placed in the first group. College professors, dentists, lawyers, engineers and high school teachers were placed in the middle group while the business executive was placed in the lowest group. The implication of this study is the fact that business executives are not regarded as a professional group. The role of the CPA who is a member of the business community is not examined and therefore his status is unknown at this time.

Alexander (1972) notes the prestige perceptions are affected and patterned by the position of the perceiver and that these perceptions are similar in different social structures. He considers status to be a mutual ordering of persons or positions along a similarly valued dimension by knowledgeable members of a group. "Status is a variable governing the rights and rules by

which interactors mutually orient themselves, differing assessments can importantly affect the flow of social interaction" (p.767). Like Rettig, Jacobson and Pasamanick (1959), Alexander argues that systematic differences in status structure are a function of the perceiver's position. Alexander cites previous prestige research literature to indicate that individuals visualized class groups above them less clearly than those below them. These observations are also consistent with the findings of Reiss (1961) on the NORC data. The research of Alexander (1972), Rettig, Jacobson, Pasamanick (1959) et.al., is significant because status and prestige determinations should be made by relevant groups. In the case of the CPA, the relevant groups would be the individuals who use and are closely associated with the work of the CPA and familiar enough to make the necessary evaluations. The problem with the current techniques of measuring status is the assignment of weights to variables. Jones and Shorter (1972) note that there is very little knowledge about the status continuum and continua which are perceived to grant status. For example, what is the relationship to income, education, occupational designation, etc. on professional status? This problem is related to defining which professional attributes are

significant in today's society for the purpose of identifying an occupation as a profession.

While the literature on status and prestige does not relate directly to the professional status of the CPA, it does point out some significant points that must be taken into consideration for the research design of this project. First, the significance of the reference group in assigning status was important. Second, the studies merely ask respondents to rank order occupational lists which are incomplete. There was no real effort to determine what attributes of an occupation were significant in determining status. Third, the occupations of medicine, law, university teaching and ministry were ranked higher than the business executive. Such rankings will affect the choice of statistical tests used in evaluating the research data. Fourth, the sociological literature does not deal with the CPA as an occupational group.

The Accounting Literature

A review of the accounting literature discloses some attempts to measure attitudes toward the profession. The primary sponsor for this research was the American

Institute of Certified Public Accounting (AICPA). A brief summary of the major research done on this topic follows. In 1947, a study was completed by the Psychological Corporation based on 186 interviews with executives from the areas of banking, general business, manufacturing, labor and the investment community. The main thrust of the study was to find out what highly placed executives think of CPAs. While the executives were selected from 14 different cities there was no attempt to obtain a true representation of this nation's executives.

These executives were asked to identify which occupational groups they considered to be professional. The CPA was ranked fifth or sixth as a professional group preceded by physicians, lawyers, dentists, teachers and engineers. In analyzing the CPAs' strengths and weaknesses, the executive was asked to compare the CPA to the occupations of teaching, law and pharmacy. While the CPA showed strength in setting and maintaining high standards and a weakness in service to the community, the methodology of the research design is suspect. The occupations chosen for the comparison are not strongly identified as professions and the categories are broad. For example, teaching covers the

scope from primary grades to university teaching at a prestigious university. Pharmacy has been considered one of the newer occupations that is seeking full professional status. The lawyers seem to be the only fully recognized profession. The study appears to be biased in the choice of occupations selected for comparative purposes. The study does not address the real issues of what dimensions are associated with professional status, appropriate referent groups and how the CPA is perceived.

In 1955, the AICPA commissioned Earl Newson & Company to review the public relations of the accounting profession. The 1956 AICPA publication describes a normative approach to defining the attributes of a profession and the failure of business to achieve professional recognition. However, the CPA is identified as the only business group which possesses the attributes of a profession. The report indicates that the CPA does not have a very strong identification with social responsibility or a strong commitment to the service needs of society. Suggestions for improvements are made to enhance the public image of social responsibility. Some comparisons are made to the professions of medicine and law.

The Psychological Corporation (1957) interviewed 62 senior management executives in manufacturing companies with gross sales of less than \$5 million within a 25 miles radius of two medium sized cities in New England. The purpose of the pilot study was to determine the value of the CPAs' services to management; to determine the extent management seeks the advice of the CPA in management and planning; to determine management's evaluation of the competence of the CPA; and to determine the attitude of management toward the accounting profession as well as the individual CPA retained by the company.

The results indicate the CPA is valued for his assistance in managing a profitable business but that he could provide more input in making a business more profitable. Like the 1947 study the respondents were asked to rank the CPA and other specialists such as lawyers, management engineers, advertising agency consultants and labor relations consultants. The basis for ranking was value of services to the business. The CPA was ranked first. Again, the selection of reference points can significantly alter the ranking of occupations. For example, would the business executive rank the CPA the same if compared to an investment

analyst who has helped in planning and securing necessary financing for a growing company? Further, the study does not relate directly to professional status.

Interviews of 100 chief commercial loan executives by credit investigators of Dun & Bradstreet throughout the country yielded results that were similar to the 1957 Psychological Corporation study. Of the respondents, 71 considered the services of the CPA to be equivalent to that of other professional consultants. Three-quarters of the respondents thought the CPA was similar to a predefined concept of a professional man. The professional man was defined as a person who has "high ethical standards and solicitude for clients."

Ashley (1961) investigated the professional status of the CPA in Dallas, Texas through the use of interviews and questionnaires. The results indicate that the CPA is considered a professional, but is not perceived to have the same status as doctors or lawyers. Ashley attempted to project the results of the study nationwide. The study suffers from methodological problems such as method of selecting sample; lack of a clear theoretical basis to establish professionalism; the approach is subjective and the nature of the questionnaire does not deal with attributes of a profession.

Lotharius (1962) attempts to measure the level of professionalism for accounting, medicine and law. Twenty-two questions were developed to measure professionalism. The items stress the professional attributes of a theoretical body of knowledge, ideal of service and touch on ethics and autonomy. Responses from 143 accountants, 145 lawyers, 128 physicians and 86 laymen were received. Accountants placed themselves behind the physician, and ahead of the lawyers. Attorneys perceived themselves to be slightly ahead of the physician but definitely ahead of the accountant. Whereas, physicians thought that they were more professional than either lawyers or accountants. The specific areas of deficiencies were noted for the accountant. Lotharius explains this as an area where the accounting profession can grow and develop much like the professions of medicine or law.

The weaknesses noted in this study include the instrument used to evaluate professionalism. Based on the sociological literature it appears to avoid the concept of autonomy as described by Freidson (1970) and Larson (1977). Furthermore, one does not know that the respondents are familiar with the nature and work of the CPA or that these results can be generalized. The

question of using appropriate reference groups is not raised or resolved in this study. In addition, there is an implied assumption that all of the professional attributes have the same significant import in determining professional status in the business community. There is a lack of empirical research to support such an assumption.

Milhausen (1962) using a normative approach compares the professional attributes to the occupations of medicine, law and accounting. Based on subjective comparisons, Milhausen concludes that the CPA is a professional. The limitations of this thesis are the use of the ideal model to establish professional status and the failure to measure the professional status from appropriate referent groups.

In 1963, The AICPA commissioned another study on the image of the CPA by manufacturing executives. The research was conducted by Elmo Roper and Associates. While the main thrust was to determine satisfaction with accountants' services there are two facets that were relevant to this research project. First, the study does attempt to measure whether or not business executives perceive a significant difference between

CPAs and non-CPAs and second, it attempts to measure the general image of the CPA.

Executives from 600 qualifying manufacturing companies were selected for interviews on a random basis. In order for a manufacturing firm to qualify, it had to employ between 20 and 249 employees. The results of the survey indicate that the CPA is recognized for integrity and high professional standards. While the CPA is regarded as better trained and more knowledgeable, the executives do not perceive a sharp distinction in qualifications between the CPAs and non-CPAs. The CPAs' knowledge in tax matters and report preparation for loan requests was highly praised by business executives. While the findings of this study do not directly address the perceived professional status of the CPA, they do give insight on how executives perceive the CPA along the dimensions of having a body of knowledge and some insight on the CPA's code of ethics.

Montagna (1971) did a sociological survey of the public accounting profession. He describes the profession, who are its members and their perceptions of the profession via ten predefined professional attributes. Because of the many methodological problems encountered

in this research, the usefulness of the study as an indicator of professional status is limited. The focus of this survey is from the perspective of the CPAs.

In 1972, the AICPA used the services of the Roper Organization to determine how the lay public regards the accounting profession. The motivation was to provide the AICPA guidance in directing its public relations activities to maximize effectiveness. A random sample size of 1000 men and 500 women were selected from people living in places where the population was 2,500 or over. Each respondent that was selected had to have some interest in business or finance as expressed by reading financial literature and/or annual reports. The CPA was compared to other occupational groups such as lawyers, bankers, physicians, and engineers.

The results of the survey indicate that while the services of the accountant are recognized as useful, to society they are not considered essential. Likewise, accountants are regarded as competent but not creative. While accountants are considered to possess high standards and ethics, the level of these attributes were viewed to be less than that of physicians, bankers

and engineers. They were perceived to be similar to the lawyer on standards and ethics. Accountants were perceived as being less public oriented and more interested in making money. Certain personal traits such as possessing limited interests, not being aggressive and being cold and withdrawn were cited.

The Roper Organization study provides some useful insight on the image of the CPA but it does not address the total professional status of the CPA. The study focuses on two aspects of professionalism, ideal of service and ethics, and does not deal with the concepts of autonomy or knowledge. Also the question of appropriate referent groups is not resolved.

In 1977, the accounting firm of Deloitte, Haskins and Sells sponsored a research study to determine how the public accounting profession is perceived by various groups that have a working relationship with the CPA. The research was conducted by Reichman Research, Inc. during October and November 1977. Interviews were conducted with 956 individuals representing six groups. These groups included 464 financial officers from publicly held corporations; 191 members of the AICPA who are not involved in public accounting practice; 83

attorneys who serve as corporate directors; 79 members of the investment community; 76 accounting faculty members from colleges and universities and 63 members from audit committees.

The research study focused on the level of confidence in the public accounting profession; the level of ethical standards that are adhered to by the CPA; the CPA's commitment to independence; the CPA's primary responsibility being directed toward the board of directors as opposed to management and identifying the major problems facing the profession. It is interesting to note that some of the perceived problems of the accounting profession relate to the concept of autonomy as a professional dimension. Government pressure, concern over effectiveness of self-regulation, declining public confidence, increased litigation involving the CPA and the lack of consensus within the profession.

The research summary indicates that 956 respondents decided to participate but what is not disclosed is the total number that were requested and perhaps the reasons for declining to participate. Further, the actual instrument used to elicit the responses is not available and considered confidential. From what is

published, the research only touches on some of the professional dimension and does not address which professional dimensions are relevant in determining professional status. The relevant areas of concern are not clearly identified for the purpose of determining the area where the CPA has to improve his image. For example, the research study does not identify the relevancy of autonomy v. ideal of service in determining professional status.

Another purpose of the research was to determine the nature and extent of marketing and competition for new clients. The opinions of the six groups were solicited with respect to CPA firms using marketing techniques to engage clients. Further, the research study attempted to identify the important factors in selecting a CPA firm.

Burns and Haga (1977) were the first researchers that studied accounting as a profession that noted the limitations of the ideal model. Realizing that the ideal model was inadequate, the intimidation model was developed to identify professions. Basically, the model was attempting to determine if the professional

group could intimidate the group that affected the profession's autonomy. In comparing the CPA to the CMA and the CIA, the CPA is considered to have power to intimidate the client by his ability to withhold financial statement approval. What Burns and Haga did not consider is the client's ability to seek and obtain such services from other CPA firms. Further, the client was not asked if he felt "intimidated." The focus of the study was on the CPAs' views.

The Reichman study (1978), the various AICPA sponsored studies (Psychological Corporation, 1947,1957; Elmo Roper and Associates, 1963,1972; Earl Newson & Company, 1955) and other cited studies clearly indicate that the accounting profession is very concerned with its image and its status. In all of these studies, the referent groups do not involve all major groups who come in contact with the CPA and his work product. For example, the Reichman study did not solicit bankers nor does it compare the results to the perceptions that the accountant has of himself. Further, the studies have not made any attempt to identify the attributes that are significant in determining professional status and its resulting benefits. In some cases, the empirical

research cannot be generalized because of methodological problems. In other cases, the literature is normative and represents the opinion of one or few individuals and therefore its value is limited use (Kapnick, 1978; Dyckman, 1974; Mautz, 1974; Turnburke, 1946).

Based on the significant research done to date, it can be seen that no specific attempts have been made to empirically identify the CPA with the professional model. Analyzing the problems or benefits of an occupation does not describe professional status. In particular, one does not know how the CPA's professional role is perceived by other CPAs, business executives, the investment analysts and other professionals such as lawyers, bankers, etc. Such information would prove to be invaluable to the accountant so that he could structure his work load, develop better rapport with the client and other executives, achieve a high level of esteem and status within his profession and his personal community affiliations. Any deficiencies noted could aid the CPA in improving relations with the government sector by showing that it is a profession that has the ability to control its own work. For

example, prior to the SEC Acts of 1933 and 1934, the accounting profession was self-regulating and after the 1933 and 1934 Acts were legislated, the accountants were in control because of a laissez-faire policy of the SEC. However, due to the many problems which occurred during the 1960s and the 1970s, the SEC started to exercise its authority. The real question is whether or not accountants can demonstrate that they are a professsion.

CHAPTER III

THE MODEL

As previously noted, the ideal model did not effectively identify an occupation as a profession. In order to determine the professional status of public accounting, a new model was formulated based on the work of Hughes (1958), Freidson (1970) and Larson (1977). A schematic presentation of this model is given below.

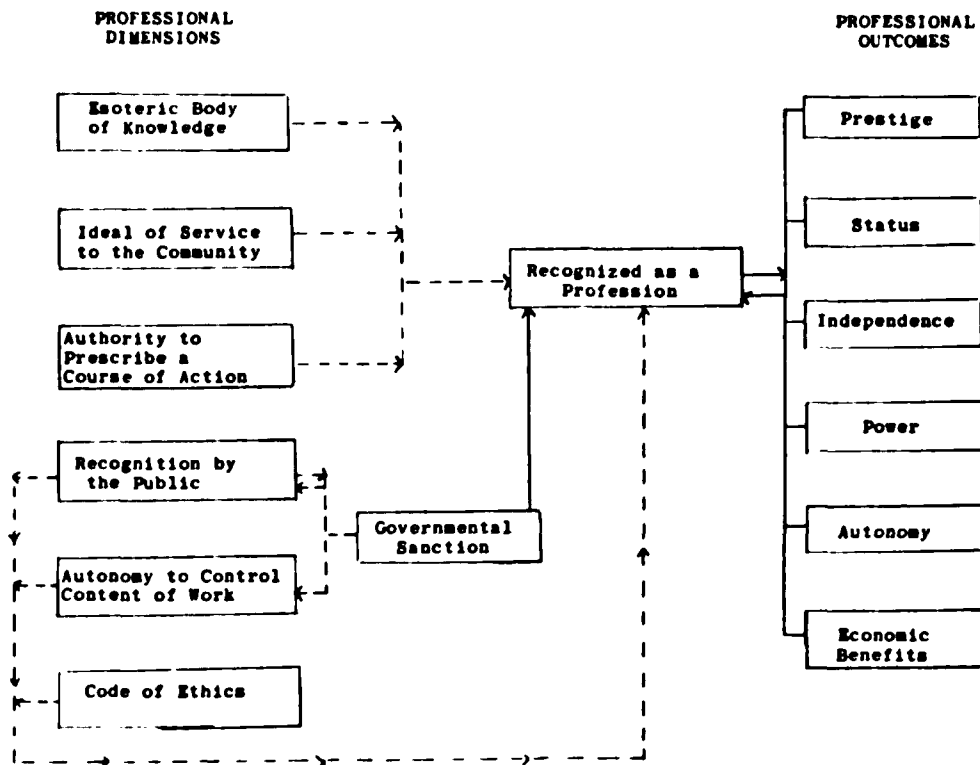


Figure 3-1. A DYNAMIC MODEL OF A PROFESSION

Autonomy represents the main difference between the ideal and dynamic model. Autonomy is perceived to be fluid in nature and receives legal sanction from the state through licensing. An effective code of ethics precludes the need of governmental regulation to control the quality of service and discipline errant behavior. The profession through its governing association is considered to be effective in dealing with problems of the profession. The public gives the professional the right to control the nature and extent of services that are needed because of the expertise that the professional is perceived to have in a given body of knowledge. The public views the services of the professional to be for the benefit of society.

In the dynamic model, the professional is also perceived to have control over the very essence of his work. He is free to exercise his judgment in a manner that he deems best to solve the problem at hand. In the case of a bureaucratic organization, the professional is still independent in determining the type and nature of work to be done because of his expertise. The administration merely provides the infrastructure so that the professional can do his work.

The following paragraphs describe the various attributes which exist in the ideal model and the dynamic model. These attributes become the basis for the Occupational Perception Questionnaire which was designed to measure what professional attributes are significant in designating professional status in the business community. Further, the questionnaire provides the means by which respondents indicate how much of these attributes they perceive the CPA possesses.

An Esoteric Body of Knowledge

Lieberman (1970) indicates that early students of professions felt that the distinguishing feature of a profession was the application of an intellectual technique to the ordinary business of life which was acquired through prolonged and specialized training. Goode (1969) similarly indicates in ideal terms, that knowledge and skill are abstract and organized into a codified body of principles. This knowledge is applicable or thought to be applicable to actual problems that are encountered by individuals. Society or its relevant members should believe that such knowledge can actually solve these problems. Whether or not the

knowledge helps to solve the problems is not relevant, but society has to believe that such knowledge is essential to the solution of the problem. Society also views that the specific problems in question should be referred to a specialty group (profession) for their solution because the group possesses the knowledge that others do not.

The profession should help to create, organize and transmit this knowledge through research and training via educational programs beginning at the university level. Further, the amount of knowledge and skills that are required should be at a level of difficulty that would cause society to view the profession with awe because the ordinary man is perceived as being incapable of acquiring such skill through his own efforts or with help. Freidson (1973) in his analysis of the established professions maintains that these strong professions have managed the right to be evaluators of their own work based on the claim that they are the only persons who have the expertise to evaluate such work.

Goode (1969) points out that research and accumulation of knowledge in a specific area, is a function of the

belief that such knowledge is valuable for the advanced welfare of society and that society is willing to assume the cost of acquiring such knowledge. Quite frequently, the amount of knowledge required will depend on what society perceives to be necessary to cope with crises and not necessarily the routine matters which the professional encounters on a daily basis. Consequently, in evaluating the required knowledge base of any profession, one should focus on the admission requirements. This facilitates the comparisons of various cores of knowledge which the public feels is significant enough to award professional status and the corresponding responsibilities and benefits.

Esoteric knowledge in the classical professions can be classified into three types. First is the scientific which is the most respected and demonstrated in the occupations of medicine and engineering. The second type relates to the knowledge of a model of social structure. The knowledge possessed by the lawyer illustrates this type of knowledge. It differs from that of the doctor because it does not have a scientific base. The third is religious knowledge whose basis is the theory and rites of the particular faith.

The knowledge dimension also has been affected by the scientific and technical research which continues to grow. The volume of new knowledge has created a change in the nature of the occupations. New occupations and professions are emerging based on this new technical knowledge. The generalists of the older professions are no longer able to cope with this increased data base and are turning to specialists for assistance. The physicians' referral system for adequate patient care illustrates where specialties in medical practice are necessary for adequate patient care. In terms of autonomy, specialization gives an occupational group control over scarce and valued resources.

An examination of the medical, legal, university teaching and ministry professions would demonstrate that a minimum training program includes four years of undergraduate school or equivalence which is then followed by some form of technical training, and apprenticeship. The ministry, in addition, sets itself apart from the other professions because their training and education are provided in a separate institution under the total control of the profession.

Society has recognized the value of the physician's need for knowledge and additional research in the field of medicine. Furthermore, society has accepted the medical profession's thrust into preventative medicine as a necessary prerequisite for a healthy society. It has accepted the expertise of the doctor without much question and depends on the medical profession to regulate its members.

Lawyers, likewise, have used their expertise to awe the public. The profession's reliance on jurisprudence, latin terminology, formalized procedures in preparing briefs and appearing before the courts have helped the lawyers develop their esoteric knowledge base. In addition, the U. S. Supreme Court's decision in Gideon v. Wainright (1963), that all defendants in felony cases must be represented by individuals competent to practice law, reaffirmed the power of expertise which lawyers have been claiming. It is interesting to note that judges are frequently former lawyers who do not currently represent clients and that many legislators are also former attorneys. The power structure appears to be a full circle--lawyers pass laws, lawyers interpret laws for clients and lawyers see that 'justice' is administered in the courts (Lieberman, 1970).

As in the medical profession, society has been persuaded by lawyers that their expertise is needed for law and order to prevail throughout society. Further, because of the complex nature of our legal system, the lawyer is the expert who should represent the individual in any legal matter. Any other individual does not have the expertise and could do untold damage to himself and society by his inability to cope with the technical knowledge base. Society has accepted the lawyers' contention of expertise and has granted lawyers the exclusive right to practice law by licensing through state bars where minimum competency as defined by the profession has been met.

Elliott (1972) points out that university professors are considered the bases from which the theoretical framework of all knowledge flows. The original free association of scholars was known as universitas, thus our modern equivalent is referred to as universities. New scholars were admitted to universities through the means of a teaching license. In today's university, the professor is viewed as a scholar who disseminates knowledge to his students in a bureaucratic setting. Course content is kept under the jurisdiction of the university professor through the concept of academic

freedom. University professors see themselves as experts and serve a clientele. However, it is not clear who the client is. Some view the client as society or the university (corporate) while others view the student as the client (humanistic view). The confusion lies with the payment for services in which case the university makes payment in the form of a salary. Others view the student as the payer through the tuition that is paid to universities and colleges.

Goode's, (1969) analysis of primary and secondary school teachers indicates that their knowledge base is not so much of curriculum content but that of technique and principles of pedagogy. Their knowledge is viewed as small in volume and intellectually shallow. In addition, many college educated parents believe they understand the technique of teaching as well as most teachers; so there is no mystique about this body of knowledge. Consequently, this occupational group was omitted as a significant referent group.

The body of knowledge that ministry claims is based on their ability to study the teachings of the Church and be the official interpreter for the Church. In particular, the Roman Catholic diocesan priest is acknow-

ledged to be the legitimate practitioner in the profession of religion. The priest becomes a practitioner in the profession after extended training, assimilating esoteric knowledge, dedication to service and acceptance of a particular code of ethics and practice.

Ference et.al., (1973) points out that the priest is unique because he provides the services of a professional organization--the Church. The Church is viewed by laity as the universal Church of direct linear descent of the Church founded by Christ. Priests are not individual professionals as in the other learned professions. The Church is considered the profession which employs the priest as a conduit in providing services to laity. Specific priests are not required to provide a service. Any priest, empowered by the Church, is able to provide the service within the teachings of the Church. Laymen do not follow the teachings of any individual priest but that of the Church. Priests do not have individual client relationships but that does not preclude them from being accorded professional status. Competition to serve laity does not reside with priests but with the organization. Ministers and priests take the teachings of their respective churches and transmit these to the laity for purposes of achieving eternal salvation.

Moore (1970) points out that clergy in general has not been directly affected by new knowledge due to technological changes. Instead, some of the more sensitive clergy have attempted to be more responsive to the problems presented by a contemporary world. Any controversies in theology are of a philosophical nature which are not subject to empirical or scientific verification. Their claim to knowledge is one from sources which are not available to the highly educated individual.

The Service Ideal

Goode (1969) describes the service ideal as a commitment a professional feels to an occupation that will result in advanced social progress. The significant rewards of the occupation are considered to be intrinsic in nature as opposed to extrinsic or monetary. The professional proposes a given solution based on clients' needs which are best determined by the professional because of his expertise. It has also been viewed that the clients' needs supersede those of society. In some cases this means that the professional may place himself in conflict with society by defending or supporting causes that are not necessarily popular at

the time. The practitioner is expected to make personal sacrifices and believes that the professional has accepted this personal sacrifice concept in order to serve the client. Further, it is expected that the professional community set up a system of rewards and sanctions for those who do not live up to the service ideal. Professional associations act as a vehicle for these sanctions and rewards.

This description of the "ideal of service" dimension is what the ideal profession would consider appropriate. What exists in reality is another matter. The motivation of the professional is not altogether altruistic. The professions of law and medicine have used their expertise to establish a monopoly under the premise that others are not sufficiently knowledgeable or can be trusted to look after the client's interest. In fulfilling the service ideal, it is the professional who is supposed to determine the appropriate course of action or the appropriate solution. To the extent that the client imposes his judgment in formulating the solution, the occupation will be deemed as less professional than in situations where the professional has full control.

Etheridge's (1973) analysis of the law profession's commitment to adequate client counsel provides insight as to how much weight is given to servicing the client when conflicts of interest occur within a profession. Etheridge maintains that lawyers are not always ready to change their internal professional structure even if the client would appear to benefit from such a change. For example, when the U. S. Supreme Court required the presence of legal counsel in all felony cases, the law profession was confronted with the need to provide indigent care and a jurisdictional dispute arose within the profession. The dispute centered around two methods that would provide the best and cheapest method of defending a client.

The two forms consisted of the assigned client system and the public defender system. The assigned client system is more autonomous in that the professional is not salaried like the public defender. Depending on state laws, the compensation of the assigned method varies from none to full compensation from public funds. Further, under the assigned system the lawyers provide services to a specific client assigned by a judge whereas, in a defender office system, the attorney is replaced with personnel who are paid a regular

salary to defend all clients who are deemed indigent. An analysis of both systems showed that the care received by indigents was very similar. Further, in large cities the defender system was cheaper. The real impact of the study was the fact that the non-indigent client received different treatment in terms of defense and sentences. To deal with the heavy backlog of court cases, the American Bar Association supported the concept of plea bargaining as a means of promoting and controlling justice. Etheridge points out that the client's day in court had now been compromised.

Beutel (1955) analyzes the role of the law profession in formulating laws under the guise of making changes for the public good. He focuses on the American Law Institute and its impact on new legislation. The American Law Institute is an adjunct of the American Bar Association (ABA) and has common control through attorneys who administrate the ABA and the Commission on Uniform Law. The American Law Institute operates pro bono publico and its law making funds are derived from private sources such as the Rockefeller, Frick and Carnegie Foundations. This Association has become very active in law making and has had direct input in such laws as the Federal Income Tax Statutes. Usually, what

is proposed by the Institute is uniform and changes by state legislature are discouraged. Beutel aptly points out that the danger lies in the fact that the welfare of the Association and its largest clients may receive undue consideration at the expense of society and the general public.

The ABA has under advisement a proposal whereby attorneys would be required to perform some type of pro bono publico work for society. This "Kutak" amendment is still under consideration but indicates that, for the first time, a national professional association is considering requiring some contribution of time and services for the public good. At the present time, lawyers provide voluntary services to society by participating in such areas as civil liberty cases and performing services to the public on an individual charity basis or through the courts on an appointed basis.

Fredericks et.al., (1974) analyzes the change in services to the poor by the medical profession. Prior to the 1960 War on Poverty Programs, doctors provided limited care to the poor through donation of time to

various clinics or taking care of a patient on a charity basis. The scope of the poverty programs changed this service ideal by asking doctors to accept salaried positions to provide medical assistance to the poor.

Leiberman (1970) attacks the medical profession by maintaining that the profession has reinterpreted its service ideal to ensure that the doctor receives a "decent compensation" for his services. The medical profession is effective in controlling competition by determining which institutions of training will be accredited, thereby controlling the supply of new physicians. In addition, the medical profession specifies rules of conduct and admission, thereby defining the extent of intra-professional competition. Areas of exclusive specialty are demarcated so that control exists over intra-professional competition. The medical profession has turned to the economic concept of limited supply to ensure that it maintains its status, prestige and economic benefits.

Krause (1970) and Lieberman (1970) give a brief historical account of the American Medical Association's (AMA) opposition to the government sponsored plan to provide

medical care to the elderly under Medicare. The AMA argued that the medical profession would not be able to provide the best medical care for the patient. Krause maintains that in reality, the \$7 million campaign was waged to protect the autonomy of the medical profession. Further government intervention was viewed as a means of regulating the physician's income. The major insurance companies similarly supported the AMA's position for fear of losing a major source of profit. Despite the attempts of the AMA to thwart government sponsorship, the AMA misjudged the political climate which was supported by an elite medical group. Further, the high cost of medical care placed pressure on the legislature and the Medicare bill was passed. As a result of this defeat, Krause expressed concern that the AMA's stance on Medicare may have tarnished the image of the physician as a dedicated servant to society.

Unlike the doctor or the lawyer, the priest is perceived to have the altruistic motivation to serve the client. Due to the priest's vow of poverty, direct economic benefits are limited to clothing, housing, and a modest salary which is provided by the local parish. In the Protestant sects, the minister receives a salary. In Judaic congregations, the rabbi receives a

salary which is a function of how wealthy the congregation is.

In terms of organized religion, Krause (1970) raises the issue of the clergy's involvement in business and reconciling the accumulation of wealth to the underprivileged in society. Krause points out that "all religious denominations are involved in the business world which acts to protect its interests, and the international corporations often favored for investment have been known to operate at the expense of the poor in the nations involved" (p. 191). Despite the negative views that individual clergy may have of the ministry and its involvement with business, they are unable to effectively oppose the relationship and thus accept it.

Similar to the profession of medicine, ministry has experienced a change in its role of care for the poor and the needy. The establishment of private agencies and the expansion of public welfare agencies have mitigated the need for services from ministry. The ideal concept of dedicating one's work for the public good has also changed for ministry, but perhaps not as visibly as for the occupations of medicine and law.

The academic community, as represented by the college or university professor provides public service by becoming involved in present day issues and needs. It assists society by speaking out on issues that need clarification. Altbach (1980) points out that advanced knowledge is significant to an industrial society. Consequently, research as opposed to teaching is recognized and rewarded. Researchers usually command higher salaries and greater prestige than academics who teach. Peers can evaluate the work of a researcher and publisher but teaching effectiveness is difficult to measure and quite often based on hearsay. The results are that academicians are not encouraged to teach and guide the student.

By reviewing the ideal of service attribute as it relates to the occupations of medicine, law, ministry and university teaching, one can see that the ideal model does not accurately portray what is happening to these occupational groups. Perhaps society has changed its emphasis on the concept of ideal of service in determining professional status. The dynamic model intends to reflect what is valued by relevant members of society.

Professional Ethics

Leiberman (1970) indicates that initially, the ethics of a profession did not have the impact of law. The canons of ethics were a set of rules devised by a private group to act as a model for the development of an honest body of practitioners. The sanctions for violating the code of ethics included either suspension or expulsion from the professional association. In some cases this type of sanction led to the revocation of the license to practice. The fear evoked by such sanctions was in direct proportion to the power and the importance of the association. For example, lawyers could be disbarred, doctors could lose hospital privileges, and intellectual contact with fellow practitioners could be precluded. The errant practitioner would have a stigma attached to him. Quite often the administration of the code is delegated to a judicial body of the professional association often referred to as the "Committee on Ethics". The designated function of this committee is to review complaints and recommend appropriate action.

Emerging professions encounter problems in developing strong professional associations and an effective code

of ethics. Barber (1963) points out that a code of ethics is generated to express the occupational group's commitment to the public. In a new profession, this knowledge base is weak, and consequently the code is very general and at times offers little guidance. Because of the internal conflicts that arise in a new profession (Goode, 1969), there is difficulty in interpreting and enforcing the code of ethics. Barber further notes that the professional association may be incapable of providing self-control, socialization and education of its members as well as being able to have effective communications with the public. The new professional association must also be able to protect the profession from infringement by other occupations and charlatans.

Levy's (1974) comments on the code of ethics provide additional insight as to the promotional value of the code of ethics. He perceives it as providing a range of what constitutes acceptable standards of practice that are expected from a practitioner. The code of ethics is perceived to be a promotional statement that is issued to show the expected behavior of a profession. The code of ethics provides the means of obtaining status and prestige. In addition, the code of ethics

serves as a legal guide for enforcing ethical conduct and also provides the means to deal with unethical conduct. Meckling (1976) adds support to Levy's position by citing instances where the professions of law and accounting failed to impose sanctions against errant members. Similarly, Freidson (1970), Leiberman (1970), Derbyshire (1974) and Grad (1978) indicate in their writings the problems that the medical profession has in enforcing its code of ethics despite a very strong medical association. It appears that expulsion from the professional association does not preclude a doctor from continuing to practice medicine. Further state laws are not uniform as to what constitutes incompetent practice and when such practice is perceived to exist, and fellow practitioners often hesitate to press charges.

It thus appears that ethics and discipline serve to promote autonomy and to guard against the imposition of public regulation. The professions view public confidence as a desired attribute. Further, they are of the opinion that if a professional association contains a committee on ethics, then society is satisfied with the profession's duty to self-discipline. Leiberman (1970) noted that there is no clear evidence which supports

the notion that making public the administration of various sanctions will insure confidence in a profession. Further, the greatest probability of enforcing the code of ethics occurs where the profession perceives that its reputation will suffer. Moore (1976) indicates that, quite frequently, the reputation of the independent practitioner lies with the lay client who is not able to judge the expertise of the professional. Therefore, a professional may be subject to client constraints through the use of a lay referral system which may impose the client's standards on the professional. In essence, the professional's independence may be illusory.

As previously noted, professional associations are presumed to administer the code of ethics. In addition, they influence legislation in order to gain state supported autonomy through such means as licensing. Professional associations are also responsible for the maintenance of public relations with professionals and with laity. While membership in most professional associations is not mandatory, lack of membership would preclude the enjoyment of certain rights and privileges reserved for members.

The AMA has become the prototype for other highly professionalized occupations. The recognized strength and effectiveness of the AMA is closely associated with the high levels of prestige accorded to the physician. Welhaupt's (1973) analysis of the AMA indicates that its strength is related to its ability to effectively deal with political issues that may reduce the power and autonomy of the medical profession. Despite its political setback with the Medicare issue, the American Medical Political Action Committee is the fourth largest influential committee in the United States preceded by the Democratic Party, the Republican Party and COPE. Membership in the AMA permits participation in scientific programs and professional relations; the use of medical societies to share discoveries; permits the taking of specialty board exams; provides referrals and consultations for new product development; and the use of hospital facilities is enhanced.

The law profession is not as strong in its emphasis in becoming a member of the American Bar Association as the medical profession is in emphasizing AMA membership. Professors do not have a professional association as

such. Their professional organization consists of unions that try to improve the working conditions provided by university administrators.

Professors do not think that they have a code of ethics to govern their behavior. Goode (1969) writes that professors view their code as "the ethic of science and scholarship" which is not viewed as rules but as a set of norms that is incorporated into their behavior pattern. Likewise, university professors do not view themselves as part of an organized structure but as individuals who make independent decisions and commitments.

In ministry there are no professional associations per se. Priests, monks, brother, ministers, etc., come from various Orders which serve the individual clergy very much like a professional association. However, these Orders are outside the Church proper but they serve the needs of the Church in accordance with the agreement between the Order and the parish. Likewise, rabbis do not have a professional association outside of the seminary where they received their religious instruction.

The essential question which remains unanswered is: How effectively is the code of ethics enforced by the professions through the respective professional associations? In ideal theory, the profession is perceived to be effective. In reality, the professional codes may do nothing more than provide an image that the public seeks to justify the autonomy given to the professions.

Autonomy

In the ideal model, autonomy represented the freedom necessary to define and propose the best solution to a problem. For the practitioner, autonomy was perceived as necessary to do his work. As a concept, autonomy represented the profession's domain to evaluate the work of its members. Evaluations by members outside the profession were considered inappropriate because of the perceived expertise required and the perceived commitment of the profession to the service ideal. There is also a belief, that the profession through its code of ethics can and will control the work of its members for the interest of the client. The need for autonomy can only be supported if society perceives that autonomy will protect society from unethical

behavior (Goode, 1969) and provide the required services in the client's best interest. Essentially, autonomy may be defined as the profession's ability to determine the nature of the expected service and the way the service is to be done because of expertise in a given area. The client does not have this knowledge and thus cannot make the appropriate decisions (Daniels, 1973). In actual practice Daniels (1973) claims that autonomy exists when the profession is able to control recruitment, is able to certify its members and establish the standard of adequate practice (p. 39).

The dynamic model presents autonomy as a monopoly that is supported by the state through a licensing system. Freidson's (1970) analysis of the medical profession illustrates how a professional organization has been given the right to determine what and how political and legal power is to be implemented with respect to legislation that affects the medical profession. The medical profession also maintains autonomy on a technological or scientific basis and is free to develop its area of expertise and to define what is considered acceptable medical practice.

Moore (1970) argues that licensing was justified on the theory that it would standardize performance to an acceptable quality. Licensing was perceived as a regulatory device to standardize admission requirements, minimize competition and at the same time protect society from charlatans. Licensing also serves as a status symbol for an occupational group indicating that the professional group was reliable and consistent in performing a service. It was considered a means of securing respect and confidence from the public. Lieberman (1970) like Moore (1970) and Freidson (1970), indicate that the standards for state licensing laws were established by professional associations, and thus help the profession maintain control and autonomy. The statutes define territorial limits of practice; identify the type of work that is done; and the persons who are qualified to do the work.

Gross (1978) and Kennedy (1979) point out that the notion of licensing to protect the public is a myth. They maintain that there is no evidence to support the claim that licensing protects the public from the incompetent. Gross notes that in the United States there are 38 states which do not specify incompetence as a reason for disciplinary action. Kennedy, points

out that licensing the lawyer for public welfare is inappropriate because lawyers do not know what is good for public interest and any such claims are made without any theoretical value. The justification for professional monopolies is based on the claim that lawyers can thus provide competent and affordable professional service to the public.

The professions of medicine and law have been quite often cited to illustrate the autonomy and power of a profession (Freidson, 1970; Krause, 1970). In addition to possessing a highly scientific knowledge base, the medical profession has been successful in controlling the number of new professionals through the limitation of the number of accredited medical schools and defining the minimum entry requirements. The solo practice of the physician also provides a certain level of immunity from peer scrutiny. This is not necessarily true for the physician in group practice or where he is a member of the hospital staff. The peer evaluations which result from such positions and the patient referral system do not appear to change the real autonomy that is attributed to the physician.

Lawyers are also perceived to have significant autonomy. They control access to the courts and most administrative agencies (Kass, 1976-77). The courts (composed of former attorneys) decide what is unauthorized practice of law based frequently on limited analyses provided by private groups and the bar association (Derby, 1966). Beutel (1955) points out that there are many statutes that require various administrative agencies in government to "consult and/or cooperate with various trade and professional associations in their rule making capacity" (p. 434). Earlier, the role of the ABA, in drafting laws, was highlighted to show the strength of the law profession.

The clergy do not appear to possess the same level of autonomy as the doctors or the lawyers. However, as Krause (1970) points out clergy have become more politically active to gain particular legislation. At the present time there is great input from the religious community to pass legislation which would ban abortions under most circumstances. The other aspect of autonomy lies in the mystery and rituals of the faith that cannot be interpreted by the lay individual.

There is little autonomy in the actual teachings of the Church or in the manner that the priest administers the sacraments. There is one authority in the Church and that is the Pope. His decisions are final in the interpretations of the teachings of Christ and Canon Law. The priest does have autonomy in choosing the manner in which he reaches his parishioners and the methods he uses to communicate the teachings of the Church provided that they do not contradict accepted theology. Any competition in ministry resides within the institutions and not amongst the professionals.

Rabbis, unlike priests and ministers, appear to have more independent autonomy since there is no formal hierarchy among the rabbis. They are responsible to the Board of Trustees of the congregation they serve. The format of worship may vary according to the individual rabbi who leads the congregation, but that is acceptable since all Jewish congregations preserve the substance of Jewish religious worship. According to Krause (1970), the more conservative the religion, the greater the autonomy. The Protestant sects do not appear to have the same autonomy as the rabbis because of the significant influence the Church elders have on church policy.

For the university or college professor the "Golden Age" has passed. Altbach's (1980) analysis of the academic community describes the loss of status and power for the professoriate after World War II. The 1960s and the 1970s brought about university reforms that included greater accountability due to increased public financing; a greater demand for relevance in education; and demands made by minorities for compensatory treatment. Rather than being a force of change, academicians responded by attempting to maintain status quo instead of molding the future course of higher education. The traditional norms of higher education did not appear to withstand the demands for change that have been made.

For many years, academicians resisted unionization because it was considered a weakness of professional status. Changes in student interest and declining enrollments have created a major concern for job security. To combat the concern over professional status, prestigious position in society and autonomy within a bureaucratic structure, the university professors have resorted to union membership (Altbach, 1980). While the university professor does not have control over his own resources, he does have discretion

on the use of his time and the content of the subject matter he teaches.

As mentioned earlier, the professions maintain control over their respective members through the right to determine the knowledge base, the minimum entry requirements to practice, and defining the respective accredited schools of learning, etc. The question arises about the professional who is employed by an organization. Does he have autonomy? In the case of the doctor, the answer still appears to be affirmative if he has control over defining and controlling the performance of his work. The same can be said for the lawyer. However, in situations where the administration asserts its opinions over the attorney or the doctor, then there has been some loss of autonomy. It is obvious that the answer cannot be a singular yes or no, but that it depends on specific work situations.

A comparison of the ideal model of professionalism with the dynamic model highlights the significant difference to be the autonomy dimension. Further, the dynamic model has indicated how autonomy can be enhanced through the other professional dimensions of expertise, a perceived commitment to the ideal of service and a

perceived effective code of ethics. The dynamic model attempts to relate the actual professional attributes that exist with professional status. The dynamic model illustrates that the professions are multidimensional in nature and that there is very little empirical data about this relationship. Further, it was pointed out that professional status is also affected by social cues and is a function of relevant referent groups.

The resultant outcomes of professional status indicate why such occupational designation is sought by many occupational groups. True professional status provides: autonomy and personal status which result in economic benefits; autonomy to do the type of work that one wishes; independence to determine the appropriate course of action without undue influence from the client in economic or intellectual terms; status in the sense that one's social position is established in a positive form and power to independently prescribe a course of action.

Power can be of two types: The formal or legal type that comes from legal sanction and the informal type based on such attributes as expertise in a given area.

The power of any professional organization can be demonstrated by its ability to keep the occupation free from legal requirements that are often imposed on other occupations or trades (Lieberman, 1970). Often the power of a profession leads to prestige which may be accorded by peers and laity.

Treiman (1977) describes prestige as a moral worth recognized by society. The basis of prestige include occupational role, accomplishments, wealth (including type of wealth), income and its mode of acquisition, style of life, level of educational attainment, political or corporate power, etc. (p. 20). In a true competitive system, individuals can achieve the highly rewarded positions and their related prestige on the basis of merit for professional performance. An occupation's prestige index may also be modified by changing the supply and demand curve in favor of the profession.

The attributes thus described were used to create the items in the Occupational Perception Questionnaire. The main purpose of the questionnaire is to determine the relevant professional attributes as determined by a

selected sample group from the business community, to record the perceived levels of professional attributes for selected occupational groups and to relate these findings to the public accounting profession.

Within the broad field of accounting, Carey (1968) identified the CPA as the professional accountant. He described the CPAs as the group who provides leadership in accounting research and education. In conducting his practice, the CPA is credited with independence, competence of a professional caliber and being concerned with the utility and the quality of services that are provided. Carey's perception of the CPA as a professional is within the context of the ideal model. What lies unanswered is: Where does the CPA fit in the dynamic model of the professions?

According to the ideal model, the CPA can be identified with an esoteric knowledge base, a code of ethics, a commitment to the ideal of service and with autonomy to prescribe a course of action. CPAs maintain that they possess these attributes. Their literature is replete with claims of professional status. The AICPA sponsored studies previously cited are but a small illustration of these claims. But claims of profes-

sional status do not appear relevant. More significant, is how the CPA is perceived by appropriate referent groups in the business community.

Specifically, one must look at what certain groups think of the accountant's body of knowledge, his commitment to the ideal of service, the commitment to a code of ethics and the perceived level of autonomy. At the present time, the CPA's status as a professional is suspect because there are those who question the knowledge base, the commitment to the ideal of service and the code of ethics; and finally, there is the serious question of autonomy. The question is who controls public accounting. Is it the CPA, the SEC or still another organization?

Concern for the status of the CPA is significant because it would help the CPA understand how he is viewed by others. The perceptions of financial executives, financial analysts, attorneys who specialize in securities law, and bankers would give the CPA insight as to how others view him versus how he perceives himself. Such insight can be used by the CPA to deal more effectively with clients and their problems, governmental authorities, academe and various members

of the business community as well as the public at large. This research attempts to measure the perceived professional status of the CPA in the manner suggested by the dynamic model.

CHAPTER IV

METHODOLOGY

As noted in the previous chapters, much has been written on the topic of professions in general but little about public accounting. Further, the literature is normative rather than empirical. Some attempts have been made to rank order specific occupations by status or prestige but none of these attempts have dealt with the CPA as a recognized professional or accounting as a profession rated by users of the CPA's services or products. This research examines how the CPA perceives himself and how he is perceived by specific groups in a broad based survey and statistical analysis. Emphasis is placed on evaluating the CPA in his or her current environment, and the approach is akin to the dynamic model.

A questionnaire was developed, tested and mailed to specific sampled groups to determine what attributes are associated with occupations that have been identified as a profession and to ascertain the strength of these professional attributes in certain occupations. A large data base permitted sophisticated statistical

analysis that included multidimensional scaling. Further, the data base generated by this research will provide a basis for comparison with future research studies on the recognition of other business occupations as professions.

Design of the Questionnaire

The Occupational Perception Questionnaire was created, designed, field-tested, amended and mailed to preselected groups. The content of the questionnaire was based on the sociological literature that dealt with professions. A copy of this questionnaire may be found as Exhibit I.

The questionnaire was divided into three parts. Part A requests demographic data about the individual respondent. Primary emphasis was placed on identifying the positions held, years of experience, education, age and type of respondent. Part B of the questionnaire asks the respondent to record perceived similarities of specific occupations along an undefined attribute identified as professionalism. The major hypotheses concerning the perceived similarity among occupations were:

- H₁ CPAs perceive themselves to be as professional as physicians₁, university professors₂, attorneys₃, clergy₄, engineers₅, and the ideal professional₆.
- H₂ Bankers perceive CPAs to be as professional as physicians₁, university professors₂, attorneys₃, clergy₄, engineers₅, and the ideal professional₆.
- H₃ Attorneys who specialize in federal securities law, perceive CPAs to be as professional as physicians₁, university professors₂, attorneys₃, clergy₄, engineers₅, and the ideal professional.
- H₄ Financial executives perceive CPAs to be as professional as physicians₁, university professors₂, attorneys₃, clergy₄, engineers₅, and the ideal professional₆.
- H₅ Financial analysts perceive CPAs to be as professional as physicians₁, university professors₂, attorneys₃, clergy₄, engineers₅, and the ideal professional₆.

Questions 9 through 14 deal with the dimensions known as an esoteric body of knowledge. Questions 15 through 21 deal with the ideal of service dimension. Questions 22 through 27 deal with ethics and questions 28 through 37 deal with autonomy. A five-point Likert type scale was used to record the respondents' ratings. The following hypotheses concerning strength of professional dimensions ascribed to the various occupations studied were tested:

- H_{1.1} CPAs perceive themselves to be as professional as physicians.
- H_{1.2} CPAs perceive themselves to be as professional as attorneys.
- H_{1.3} CPAs perceive themselves to be as professional as university professors.
- H_{1.4} CPAs perceive themselves to be as professional as members of the ministry.

- H_{2.1} Bankers perceive CPAs to be as professional as physicians.
- H_{2.2} Bankers perceive CPAs to be as professional as attorneys.
- H_{2.3} Bankers perceive CPAs to be as professional as university professors.
- H_{2.4} Bankers perceive CPAs to be as professional as members of the ministry.

- H_{3.1} Attorneys who specialize in securities law perceive CPAs to be as professional as physicians.
- H_{3.2} Attorneys who specialize in securities law perceive CPAs to be as professional as attorneys.
- H_{3.3} Attorneys who specialize in securities law perceive CPAs to be as professional as university professors.
- H_{3.4} Attorneys who specialize in securities law perceive CPAs to be as professional as members of the ministry.

- H_{4.1} Financial executives perceive CPAs to be as professional as physicians.

- H4.2 Financial executives perceive CPAs to be as professional as attorneys.
- H4.3 Financial executives perceive CPAs to be as professional as university professors.
- H4.4 Financial executives perceive CPAs to be as professional as members of the ministry.
- H5.1 Financial analysts perceive CPAs to be as professional as physicians.
- H5.2 Financial analysts perceive CPAs to be as professional as attorneys.
- H5.3 Financial analysts perceive CPAs to be as professional as university professors.
- H5.4 Financial analysts perceive CPAs to be as professional as members of the ministry.

Part C of the questionnaire was unstructured and asked the respondent to volunteer the main attributes that in his or her opinion make an occupation a profession. No specific hypotheses were to be tested by this data; rather, input on professional attributes was being sought.

Pre-Testing of Questionnaire

Due to the uniqueness of the questionnaire it was field-tested before being mailed to the participants of this study. Since the questionnaire would be mailed to

five different subject groups, the field testing was designed in a format that would allow sampling some respondents in each of the five occupational group studies. Bankers' reactions to the questionnaire were tested by subjectively selecting five local banks in the Northern New Jersey area. A personal visit was made explaining the nature and purpose of the research project with a request for their cooperation. All five bank officers agreed to cooperate and complete the questionnaire. At an agreed time the questionnaires were picked up from each of the respective officers. The second visit provided the opportunity to determine if there were any difficulties in answering the questionnaire or if there were any suggestions for improvements. From the bankers' viewpoint, the questionnaire did not provide any difficulties.

CPAs' reactions to the questionnaire were evaluated by contacting a local office of an international accounting firm. After explaining the nature of the research study to the managing partner, it was agreed that 10 copies of the questionnaire would be distributed to different individuals within the firm's professional staff. Participants were asked to complete the questionnaire, note any comments or suggestions for revi-

sions and/or modifications and return the questionnaire to the managing partner's secretary. Only eight of the ten questionnaires were returned because the work schedules had become difficult and/or out of town travel precluded the completion of the questionnaire. Again, no difficulties were encountered with the questionnaire except for some concern with the amount of time required to complete the questionnaire.

To field-test the questionnaire with the remaining three subject groups, the Rutgers Graduate School of Management Executive Program was asked to cooperate. Because the student body for this program consists of executives in various industries, it was felt that a good representation of attorneys and various types of financial executives and analysts would be obtained. The student body of the Executive Program consists of full-time executives who are sponsored by their employers in time and money to participate in the management development program. The Rutgers' administration contacted the students to determine their willingness to participate in this pilot study. Of 30 students, 29 completed the questionnaire. The results from this group yielded constructive criticism on some of the items. These items were subsequently

revised to improve clarity.

During the field-testing procedure, two variants of the questionnaire were employed to determine if improvements in item response rates could be made. The different formats did not yield an improved response rate as can be seen by the analysis below:

ANALYSIS OF RESPONSES TO QUESTIONNAIRE

<u>Group</u>	<u>Format 1</u>		<u>Format 2</u>	
	<u>Number completed</u>	<u>Number not completed</u>	<u>Number completed</u>	<u>Number not completed</u>
CPA	4	-	4	-
Bankers	3	-	2	-
Rutgers Management School	8	5	13	3

A Chi-square analysis of the responses indicated that there was no statistically significant difference between the formats at the .05 level. Format one of the questionnaire had part C, the open-ended question on the professional attributes, before part B that dealt with perceived similarities between specific occupations. Format 2 had the open-ended question as

part C. Since there was no significant difference format 2 was used in the distributed questionnaire. Further, professional typesetting and printing produced a questionnaire which "appeared" to be shorter but still contained all the items considered essential for the research study.

Selection of Sample

In order to generalize the results of the survey, a nationwide random sample of subjects was selected from various professional directories. It was decided to select five distinct groups of subjects to participate in the research project. These included bankers, attorneys who specialize in securities law, financial executives, the chartered financial analysts, and the certified public accountants.

To provide a sufficiently large data base for this research study and subsequent analysis, it was felt that 100 responses from each group would be required except for the CPA where 200 responses were sought. The CPA responses would act as a control group for subsequent comparisons. Based on mail survey literature, the response rate was estimated to be in the 25%

to 30% range. Using a conservative estimate of 25% return rate, an estimated sample size of 400 for financial analysts and financial executives was established. Using the same criteria for the CPA, the required sample size was estimated to be 700.

Bankers were selected from the 1981 McGraw-Hill Directory of Banks in the United States. The five hundred largest banks were selected because these banks would have the largest asset base to generate loans and thus use the products and services of the CPA. If the the senior loan officer's name was available, the correspondence was addressed to him directly. But, if the name was unavailable, then the correspondence was sent to the bank president. These individuals were contacted because of their credit-granting, decision-making power and/or their significant influence on on the loan committees in various banks.

Attorneys are permitted to practice in all facets of the law. Contact with the American Bar Association confirmed the fact that they did not have a list of attorneys who specialize in various aspects of security laws. Yet, the goal of this research study was to

elicit responses from attorneys who came in frequent contact with the CPA and his services through the sale of securities, mergers and acquisitions, etc. Therefore, rather than selecting from all attorneys at large who are members of the American Bar Association, it was decided to select all attorneys listed on a roster for the committee on the Federal Regulation of Securities. The attorneys who serve on these various security regulation committees number approximately 400.

Financial analysts were selected from the 1981 Chartered Financial Analysts Directory. The selection of the 400 participants was based on a random selection. As a result of this selection method, 44 out of 46 domestic chapters were represented, so that out of approximately 15,000 members, 75 were not represented.

Financial executives were selected from the 1979-1980 membership directory by the Financial Executive Institute. The 400 executives were selected through the use of random numbers and were considered to be representative of the total Financial Executive Institute membership.

Accountants were selected from the 1978 list of members published by the American Institute of Certified Public Accountants (the latest available at the time of the first mailing). Random numbers were used to select the 700. A review of the final list of CPAs by states indicate that the sample selected is representative of most CPAs in the United States. Only five states were not included in the sample (Alaska, Maine, Montana, Vermont and West Virginia).

To stimulate a high response rate, the following procedures were used. First, an individually typed letter on Baruch College letterhead was prepared for each respondent group (see Exhibits II, III, IV, V, VI, VII). The letter was addressed to a specific individual by title explaining the nature of the research project and the significance of the response to the success of the project. Second, a copy of the questionnaire with a control number was enclosed with a business reply envelope to facilitate the return of the questionnaire. Third, the letter, the questionnaire and envelope were enclosed in a matching Baruch College window envelope, stamped with first class postage and mailed. Approximately four weeks after the initial

mailing, a second mailing was made to those who did not respond. Subjects outside of the continental United States were provided with International Mail Coupons to permit the return of the questionnaire without any cost to the respondent. Mailings were made in February for all groups except the CPAs which were mailed on April 13, 1981. The CPA mailing was delayed because of the busy accounting work season that exists for approximately the first four months of the year. The overall response rate was 890 (37.7%) with 819 (34.7%) being useable. Specific results and non-response bias will be presented in subsequent chapters.

Hypotheses to be Tested

Due to the lack of a comparable data base on the professional status accorded to certain professions, the hypotheses are stated in a manner that will permit respondent groups to compare the CPA to other pre-selected occupations along the specified professional dimensions of esoteric body of knowledge, ideal of service, ethics and autonomy. The specific hypotheses for this entire research study are set forth below into two groups: the major hypotheses and the minor hypotheses.

Major hypotheses:

H₁ CPAs perceive themselves to be as professional as any other occupational group.

H_{1.1} CPAs perceive themselves to be as professional as physicians.

H_{1.2} CPAs perceive themselves to be as professional as attorneys.

H_{1.3} CPAs perceive themselves to be as professional as clergy/rabbis.

H_{1.4} CPAs perceive themselves to be as professional as university or college professors.

H_{1.5} CPAs perceive themselves to possess the same attributes as the ideal professional.

H₂ Bankers perceive CPAs to be as professional as any other occupational group.

H_{2.1} Bankers perceive CPAs to be as professional as physicians.

H_{2.2} Bankers perceive CPAs to be as professional as attorneys.

H_{2.3} Bankers perceive CPAs to be as professional as clergy/rabbis.

H_{2.4} Bankers perceive CPAs to be as professional as university professors.

H_{2.5} Bankers perceive CPAs to possess the same attributes as the ideal professional.

- H₃ Attorneys who specialize in federal securities law perceive CPAs to be as professional as any other occupational group.
 - H_{3.1} Attorneys who specialize in federal securities law perceive CPAs to be as professional as physicians.
 - H_{3.2} Attorneys who specialize in federal securities law perceive CPAs to be as professional as attorneys.
 - H_{3.3} Attorneys who specialize in federal securities law perceive CPAs to be as professional as clergy/rabbis.
 - H_{3.4} Attorneys who specialize in federal securities law perceive CPAs to be as professional as university or college professors.
 - H_{3.5} Attorneys who specialize in federal securities law perceive CPAs to possess the same attributes as the ideal professional.
- H₄ Financial executives perceive CPAs to be as professional as any other occupational group.
 - H_{4.1} Financial executives perceive CPAs to be as professional as physicians.
 - H_{4.2} Financial executives perceive CPAs to be as professional as attorneys.
 - H_{4.3} Financial executives perceive CPAs to be as professional as clergy/rabbis.
 - H_{4.4} Financial executives perceive CPAs to be as professional as university or college professors.
 - H_{4.5} Financial executives perceive CPAs to possess the same attributes as the ideal professional.

H₅ Financial analysts perceive CPAs to be as professional as any other occupational group.

H_{5.1} Financial analysts perceive CPAs to be as professional as physicians.

H_{5.2} Financial analysts perceive CPAs to be as professional as attorneys.

H_{5.3} Financial analysts perceive CPAs to be as professional as clergy/rabbis.

H_{5.4} Financial analysts perceive CPAs to be as professional as university or college professors.

H_{5.5} Financial analysts perceive CPAs to possess the same attributes as the ideal professional.

Minor hypotheses:

H_{1.1} CPAs perceive themselves to be as professional as physicians.

H_{1.11} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.

H_{1.12} CPAs perceive themselves to have the same or greater commitment as physicians to the ideal of service to the general public.

H_{1.13} CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.

H_{1.14} CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as physicians.

H_{1.2} CPAs perceive themselves to be as professional as attorneys.

H_{1.21} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.

H_{1.22} CPAs perceive themselves to have the same or greater commitment as attorneys to the ideal of service to the general public.

H_{1.23} CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.

H_{1.24} CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as attorneys.

H_{1.3} CPAs perceive themselves to be as professional as clergy/rabbis (ministry).

H_{1.31} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the ministry.

H_{1.32} CPAs perceive themselves to have the same or greater commitment as clergy/rabbis to the ideal of service to the general public.

H_{1.33} CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the clergy/rabbi.

H_{1.34} CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as ministry.

H_{1.4} CPAs perceive themselves to be as professional as university or college professors.

- H1.41 CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the university or college professor.
 - H1.42 CPAs perceive themselves to have the same or greater commitment as university or college professors to the ideal of service to the general public.
 - H1.43 CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the university or college professor.
 - H1.44 CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as university or college professors.
- H2 Bankers perceive CPAs to be as professional as physicians.
- H2.1 Bankers perceive CPAs to be as professional as physicians.
 - H2.11 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.
 - H2.12 Bankers perceive CPAs to have the same or greater commitment as physicians to the ideal of service to the general public.
 - H2.13 Bankers perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.

- H2.14 Bankers perceive CPAs to have the same or greater autonomy (control over the content of one's work) as physicians.
- H2.2 Bankers perceive CPAs to be as professional as attorneys.
 - H2.21 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.
 - H2.22 Bankers perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.
 - H3.23 Bankers perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.
 - H2.24 Bankers perceive CPAs to have the same or greater autonomy (control over the content of one's work) as attorneys.
- H2.3 Bankers perceive CPAs to be as professional as clergy/rabbis (ministry).
 - H2.31 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.
 - H2.32 Bankers perceive CPAs to have the same or greater commitment as that of ministry to the ideal of service to the general public.
 - H3.33 Bankers perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of ministry.
 - H2.34 Bankers perceive CPAs to have the same or greater autonomy (control over the content of one's work) as ministry.

- H2.4 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to that of university or college professors.
- H2.41 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university or college professors.
- H2.42 Bankers perceive CPAs to have the same or greater commitment as university or college professors to the ideal of service to the general public.
- H2.43 Bankers perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of university or college professors.
- H2.44 Bankers perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college professors.
- H3 Attorneys who specialize in federal securities law perceive CPAs to be as professional as any other occupational group.
- H3.1 Attorneys who specialize in federal securities law perceive CPAs to be as professional as physicians.
- H3.11 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.
- H3.12 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as physicians to the ideal of service to the general public.
- H3.13 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.

- H3.14 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as physicians.
- H3.2 Attorneys who specialize in federal securities law perceive CPAs to be as professional as attorneys.
- H3.21 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of attorneys.
- H3.22 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.
- H3.23 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.
- H3.24 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as attorneys.
- H3.3 Attorneys who specialize in federal securities law perceive CPAs to be as professional as clergy/rabbis (ministry).
- H3.31 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.
- H3.32 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as ministry to the ideal of service to the general public.
- H3.33 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of ministry.

- H3.34 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as ministry.
- H3.4 Attorneys who specialize in federal securities law perceive CPAs to be as professional as university or college professors.
 - H3.41 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university college professors.
 - H3.42 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as university or college professors to the ideal of service to the general public.
 - H3.43 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of university or college professors.
 - H3.44 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college professors.
- H4 Financial executives perceive CPAs to be as professional as any other occupational group.
 - H4.1 Financial executives perceive CPAs to be as professional as physicians.
 - H4.11 Financial executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.
 - H4.12 Financial executives perceive CPAs to have the same or greater commitment as physicians to the ideal of service to the general public.

- H4.13 Financial executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.
- H4.14 Financial executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as physicians.
- H4.2 Financial executives perceive CPAs to be as professional as attorneys.
 - H4.21 Financial executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.
 - H4.22 Financial executives perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.
 - H4.23 Financial executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.
 - H4.24 Financial executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as attorneys.
- H4.3 Financial executives perceive CPAs to be as professional as clergy/rabbis (ministry).
 - H4.31 Financial executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.
 - H4.32 Financial executives perceive CPAs to have the same commitment as ministry to the ideal of service to the general public.

- H4.33 Financial executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the ministry.
- H4.34 Financial executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as ministry.
- H4.4 Financial executives perceive CPAs to be as professional as university or college professors.
 - H4.41 Financial executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university or college professors.
 - H4.42 Financial executives perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.
 - H4.43 Financial executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of university or college professors.
 - H4.44 Financial executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college professors.
- H5 Financial analysts perceive CPAs to be as professional as any other occupational group.
 - H5.1 Financial analysts perceive CPAs to be as professional as physicians.
 - H5.11 Financial analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.

- H5.12 Financial analysts perceive CPAs to have the same or greater commitment as physicians to the ideal of service to the general public.
- H5.13 Financial analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.
- H5.14 Financial analysts perceive CPAs to have the same or greater autonomy (control over the content of one's work) as the physician.
- H5.2 Financial analysts perceive CPAs to be as professional as attorneys.
 - H5.21 Financial analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.
 - H5.22 Financial analysts perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.
 - H5.23 Financial analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.
 - H5.24 Financial analysts perceive CPAs to have the same or greater autonomy (control over the content of one's work) as attorneys.
- H5.3 Financial analysts perceive CPAs to be as professional as clergy/rabbis (ministry).
 - H5.31 Financial analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.

- H5.32 Financial analysts perceive CPAs to have the same or greater commitment as ministry to the ideal of service to the general public.
- H5.33 Financial analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of ministry.
- H5.34 Financial analysts perceive CPAs to have the same autonomy (control over the content of one's work) as ministry.
- H5.4 Financial analysts perceive CPAs to be as professional as university or college professors.
- H5.41 Financial analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university or college professors.
- H5.42 Financial analysts perceive CPAs to have the same or greater commitment as university or college professors to the ideal of service to the general public.
- H5.43 Financial analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the university or college professor.
- H5.44 Financial analysts perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college professors.

As noted earlier, the major hypotheses will be evaluated through the use of multidimensional scaling techniques. This methodology is computer-based and originated in

the behavioral sciences. Since its development in the early 1960's, marketing research has demonstrated the value of the methodology in ascertaining the "real" qualities or properties that people perceive exist in products or seek in products. In addition, there have been efforts to determine if existing products meet the needs of consumers or whether there is an unfulfilled need that could be met by new products, modification of old products or perhaps elimination of products. The work of Green and Carmone (1970) specifically illustrates the applicability of multidimensional scaling techniques to solutions of marketing problems.

Shepard, Carroll and Kruskal were some of the major contributors to the development of multidimensional scaling techniques. The TORSCA program developed by Kruskal and Shepard was used to develop the spatial presentation of the relationships that exist among the various occupations that respondent groups were asked to compare. The technique allows for significant relationships or features of the empirical data to be analyzed by their geometric positions in multidimensional space, thus offering the opportunity to evaluate occupational attributes with respect to the

respondent's attitude toward the occupations. Multidimensional scaling is a multivariate approach that permits a graphic presentation of constructs which are not readily apparent from raw data or could be missed through the use of a unidimensional approach. Multidimensional scaling techniques facilitate the identification and confirmation that certain attributes are necessary for an occupation to be identified as a profession. The attitude and behavior of user groups of accountants' services are affected by such constructs as perception, preferences, attitudes and social cues. Consequently, the perceptions of the respondent is a multidimensional function that cannot be evaluated through a unidimensional approach.

Multidimensional scaling utilizes Euclidian space as a means of measuring similarities or dissimilarities between objects and to assist in the identification of the dimensions that separate various subgroups. Thus the main goal of any multidimensional scaling technique is to develop a map or configuration which fixes the objects according to some measure of similarity that has been recorded for all pairs of objects. Intuition to judge similarity can be associated with distance

where the shorter distance represents greater similarity. The similarities model assumes that any partial similarities depend on the absolute difference between the location of points and not on their actual location on a dimension by dimension basis. Further, the resultant configuration provides interpoint distances that are considered to be ratio scaled, whereas the axes are considered to be the interval scales with a common unit.

Many different algorithms exist which can establish similarity data as points in Euclidian space. The main goal of any algorithm is to obtain a configuration with the least number of dimensions that is monotonically consistent with the input data. The means to evaluate a good configuration was provided by Kruskal through his stress calculation which minimized the regression function. If the stress value of a particular configuration is high then the monotone fit is poor. Stress improves with increased dimensions but increased dimensions make the interpretation of the configuration more difficult. Therefore, the decision to increase the number of dimensions has to be based on a significant improvement of stress. Kruskal (1964) offered the following guidelines for assessing the goodness of fit.

<u>GOODNESS OF FIT</u>	<u>STRESS VALUE</u>
Poor	.20
Fair	.10
Good	.05
Excellent	.025
Perfect	.000

The data for the multidimensional scaling was collected by asking the respondents to make 21 pairwise comparisons and evaluated them on degrees of perceived similarities. These scores were then used for each respondent group and in total to arrive at the various configurations in Chapter V. To facilitate the interpretation of the configurations, the means of the various professional dimensions were calculated and used to measure the characteristics of the occupations which were perceived to have a systematic relationship to the actual position of the occupation in the space configuration generated by the TORSCA program. Specifically, the means of knowledge, ideal of service, ethics and autonomy were regressed on the co-ordinates of the configuration to determine which dimension or dimensions best explains the position of certain occupations in geometric space. This type of analysis will thus identify and confirm the significance of certain attributes which have been identified with occupations

that are considered professions. Further CPAs as an occupational group are compared with the other selected occupations and the "ideal" professional model to determine how the CPA is regarded by the various sample respondent groups and how he perceives himself.

On the assumption that the attributes ascribed to professional occupations are accurate, a T-test for the means was used to evaluate how the various respondent groups evaluated the CPA with each of the four classical occupations. Through the use of a program from the Statistical Package for the Social Sciences, the means for the dimensions of knowledge, ideal of service, ethics and autonomy were calculated for each of the occupations listed and compared to the value obtained for the CPA by each of the respondent groups. An additional analysis of the mean values for the professional dimensions was done based on the Dunnette T test and is presented in Appendix B.

As noted earlier, the minor hypotheses are to be tested through the use of a T-test on the means to determine whether or not the CPA is perceived to be as professional as the physician, the lawyer, the university

professor and as the clergy/rabbi. To operationalize these hypotheses a further subdivision of the hypotheses was made for each professional dimension by respondent group. Thus, minor hypothesis H_{1.1} was analyzed as follows:

- H_{1.1} CPAs perceive themselves to be as professional as physicians where professionalism is defined to consist of an esoteric body of knowledge, ideal of service, ethics, and autonomy. Therefore, the subhypotheses are presented below:
 - H_{1.11} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.
 - H_{1.12} CPAs perceive themselves to have the same or greater commitment as the physician to the ideal of service to the general public.
 - H_{1.13} CPAs perceive themselves to have a code of ethics which is at least as effective as that of the physician.
 - H_{1.14} CPAS perceive themselves to have the same or greater autonomy (control over the content of one's work) as the physician.

If these minor hypotheses are supported by the analysis of the raw data, then one can state that the opinion which CPAs have of themselves is favorable as compared

with physicians. The procedure thus described would be followed for the remaining respondent groups; namely, the bankers, attorneys, financial executives and financial analysts equations to represent the above cited null hypotheses for the professional dimensions are:

$$H_0 \quad KNC = KND = KNL = KNU = KNM$$

$$H_0 \quad ISC = ISD = ISL = ISU = ISM$$

$$H_0 \quad ETC = ETD = ETL = ETU = ETM$$

$$H_0 \quad AUC = AUD = AUL = AUU = AUM$$

where KN = esoteric body of knowledge

IS = ideal of service to the public

ET = code of ethics is adequate to
protect the public

AU = autonomy to control the content
of one's work

C = CPA

D = physician

L = attorney

U = university or college
professor

M = Ministry

The mean values for the knowledge dimensions are obtained by combining items 9 through 13 for each

occupation listed and comparing the difference between the means for a statistically significant difference by using a one-tailed T-test for each respondent group. The values for ideal of service are obtained by combining items 15 through 21. The ethic dimension values are obtained by combining items 22 through 27 and the autonomy dimension values are obtained by combining items 28 through 37. In order to facilitate the comparison of means, all recorded values were converted from a 1-to-5 scale to a 5-to-1 scale. The comparison of the sample means was done through the use of a subprogram T-test included in the Statistical Package for the Social Sciences. A complete presentation of the results is set forth in Chapter V.

CHAPTER V

RESULTS AND DISCUSSION

Summary

Through the use of multidimensional scaling techniques and multiple regression analysis, the significant professional attributes that are associated with the dynamic model have been identified. Based on the responses of 819 individuals, primarily from the business community, autonomy and ethics were associated positively with occupations that were perceived to be professions and closely related to the ideal profession. Ideal of service was negatively related to occupations that were perceived to be professional or closely related to the ideal professional. The implications of these findings are that for certain groups in the business community the use of the classical or ideal model for purposes of identifying certain occupations as professions may be inappropriate. The results of this research support the applicability of the dynamic model, with its emphasis on autonomy and ethics, as a means of identifying certain occupations as professions.

An analysis of the mean scale values of professional attributes for each occupation supports the apparent shift in the type of professional attributes significant to the business community. Ideal of service was not considered to be a significant attribute for professional status. The mean values for autonomy, ethics and esoteric body of knowledge for each occupational group support the results shown on the spatial configurations that place the physician and the attorney closer to the ideal professional. University professors and members of ministry are set apart from the other occupations by a higher perceived commitment to ideal of service and decreased recognition for their body of knowledge, code of ethics and autonomy.

CPAs view themselves quite differently from the way they are viewed by bankers, attorneys, financial executives and financial analysts. CPAs perceive themselves as being more professional and think they possess more of the professional characteristics than non-CPA respondents in this study attribute to CPAs.

This chapter presents the detailed analysis of the data, with a summary table of the various hypotheses

that were tested directly and indirectly. The Summary of Hypotheses table indicates which of the hypotheses have been supported and the level of significance, with appropriate cross-referencing to facilitate the examination of detailed schedules. Appendix B describes the analysis of the mean scale values of professional attributes using the Dunnette T-test for multiple comparisons to a control group.

Analysis of Questionnaire Responses

As previously noted, the overall response rate from the two separate mailings of the questionnaire was (total of 890 responses) 37.7% of the adjusted number sampled. Of these responses, 819 or 34.7% were considered useable. Table 5-1 gives a complete analysis of the responses by various respondent groups.

Of the 2,396 original requests, 37 were undeliverable due to lack of forwarding addresses or death. Efforts were expended to locate these individuals by telephone calls to their former employers in professional associations, but with no success. Consequently, all respondent percentages were computed on the adjusted number of questionnaires mailed.

TABLE 5-1

QUESTIONNAIRE RESPONSE STATISTICS

Respondent Group Types	Original	Undeliver- able	Adjusted	Total received		Total useable		Good		Partially useable		Not useable	
				No.	%	No.	%	No.	%	No.	%	No.	%
CPAs:													
First mailing				173		170		156		14		3	
Second mailing				<u>70</u>		<u>63</u>		<u>60</u>		<u>3</u>		<u>7</u>	
Total	700	15	685	243	35.5	233	34.0	216	31.5	17	2.5	10	1.5
Bankers:													
First mailing				143		139		134		5		4	
Second mailing				<u>80</u>		<u>75</u>		<u>62</u>		<u>13</u>		<u>5</u>	
Total	497		497	223	44.8	214	43.0	196	39.4	18	3.6	9	1.8
Attorneys:													
First mailing				88		80		76		4		8	
Second mailing				<u>68</u>		<u>51</u>		<u>32</u>		<u>9</u>		<u>17</u>	
Total	399	3	397	146	36.8	121	30.5	108	27.2	13	3.3	25	6.3
Financial Executives:													
First mailing				121		117		112		5		4	
Second mailing				<u>38</u>		<u>30</u>		<u>25</u>		<u>5</u>		<u>8</u>	
Total	400	19	381	158	41.5	146	38.3	136	35.7	10	2.6	12	3.2
Financial analysts:													
First mailing				78		73		69		4		5	
Second mailing				<u>42</u>		<u>32</u>		<u>31</u>		<u>1</u>		<u>10</u>	
Total	400	1	399	120	30.1	105	26.3	100	25.1	5	1.2	15	3.8
Grand totals	<u>2,396</u>	<u>37</u>	<u>2,359</u>	<u>890</u>	37.7	<u>819</u>	34.7	<u>756</u>	32.0	<u>63</u>	2.7	<u>71</u>	<u>3.0</u>

It is significant to note that the second mailing of the questionnaire improved the initial response by 50.3% which represents 33.5% of the total responses. A Chi-square test was used to determine if these two respondent groups were from the same populations. Question 8 of the questionnaire was selected as a criterion question because it was short and most respondents answered this question (Question 8 asks the respondent to rank 6 occupations according to perceived professionalism). Further, this question was used during telephone interviews with individuals who chose not to respond to the questionnaire, but were (in many cases) amenable to answering this question on the telephone. The non-respondent answers would be used to analyze the characteristics of the non-respondents and the extent of non-response bias in this research study. These findings are presented in Chapter VI.

A comparison of the occupational rankings by the total respondents from the first mailing to respondents from the second mailing indicated that there was no significant difference between the respondent groups at the .05 level. A detail of the Chi-square values of each occupation is set forth below.

TABLE 5-2

CHI-SQUARE ANALYSIS OF RESPONSES TO
QUESTION NO. 8, MAILING NO. 1 COMPARED
TO MAILING NO. 2

n-784*

Occupation	Chi-square value (a)
Physician	7.589
CPA	5.436
University professor	6.948
Clergy/rabbi	8.142
Attorney	3.779
Engineer	.753

*Missing values were omitted from
the calculations.

(a) Critical value for $p = .05$ is
 $\chi^2 = 11.07$ with 5 degrees
of freedom.

Based on the results of the Chi-square analysis, the first and second mailing respondent groups were combined for all subsequent analyses.

Analysis of Multidimensional Scaling Results

The TORSCA 9 program was used to prepare the spatial configurations for the selected occupations by the five respondent groups and all respondent groups combined.

The original solutions were based on one, two and three dimensions. In order to determine which spatial map would provide the greatest detail without sacrificing interpretability the stress values for all three solutions were compared in Table 5-3.

TABLE 5-3

STRESS VALUES FOR TORSCA MULTIDIMENSIONAL
PROGRAM BY GROUPS

<u>Subject group</u>	<u>3 dimensional solution</u>	<u>2 dimensional solution</u>	<u>1 dimensional solution</u>
CPAs	.003	.015	.132
Bankers	.015	.072	.218
Attorneys	.015	.009	.195
Financial executives	.002	.015	.011
Financial analysts	.014	.074	.171
All groups combined	.005	.033	.118

Based on the stress values shown for the two dimensional solution and the marginal improvement achieved in the stress value with the three dimensional solution, it was decided that all configurations and analyses would be based on two dimensional solutions.

The initial configurations based on data from the CPA (Figure 5-1a), the banker (Figure 5-2a), the attorney (Figure 5-3a), the financial executive (Figure 5-4a), and the financial analyst (Figure 5-5a) were not similar in their placement of the various occupations in the geometric space. To facilitate the analysis and interpretation of the configurations, it was necessary to rotate the axes on two of the configurations. As Shepard (1972) indicated, since the original configuration is based on a random starting point and the point of origin is not fixed, the axes may be rotated, reflected, contracted or expanded to facilitate interpretation without altering the basic relationship derived from the data. Consequently, the axes of the CPA's configuration were rotated -90° and the axes of the financial executive were rotated -75° . The axes of the attorney were reflected from left to right. In addition all of the configurations were flipped from top to bottom. These adjusted configurations may be found in Figure 5-1b for the CPA, Figure 5-2b for the banker, Figure 5-3b the attorney, Figure 5-4b for the financial executive, Figure 5-5b for the financial analyst and Figure 5-6b for all groups combined.

Through these modifications the five different respondent groups and all groups combined have similar configurations that can be interpreted in terms of common attributes and it is possible to segregate those attributes which respondents think are significant in identifying an occupation as a profession. To facilitate the identification of the axes, multiple regression analyses were used to determine which professional attribute values could best explain the common relationship that existed between the occupations. Accordingly, the mean value for the professional attributes from questions 9-37 of the Questionnaire were regressed on the original stimulus coordinates for the occupations of accounting, medicine, law, university teaching and ministry. The mean values for each respondent group and stimulus coordinates are given in Table 5-4.

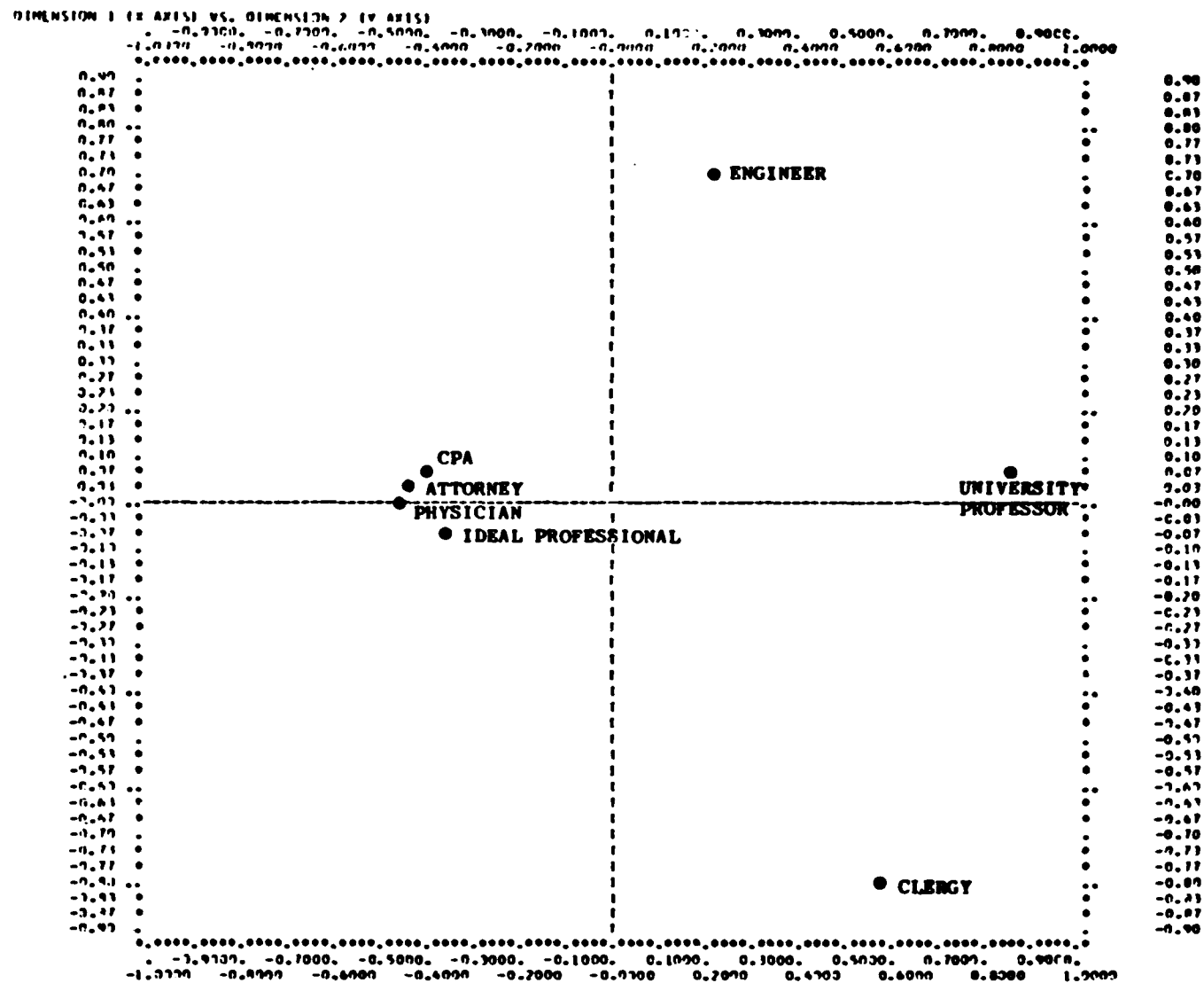


Figure 5-1(a). Two-space occupation configuration from the TORSCA analysis of direct similarities for certified public accountant sample.

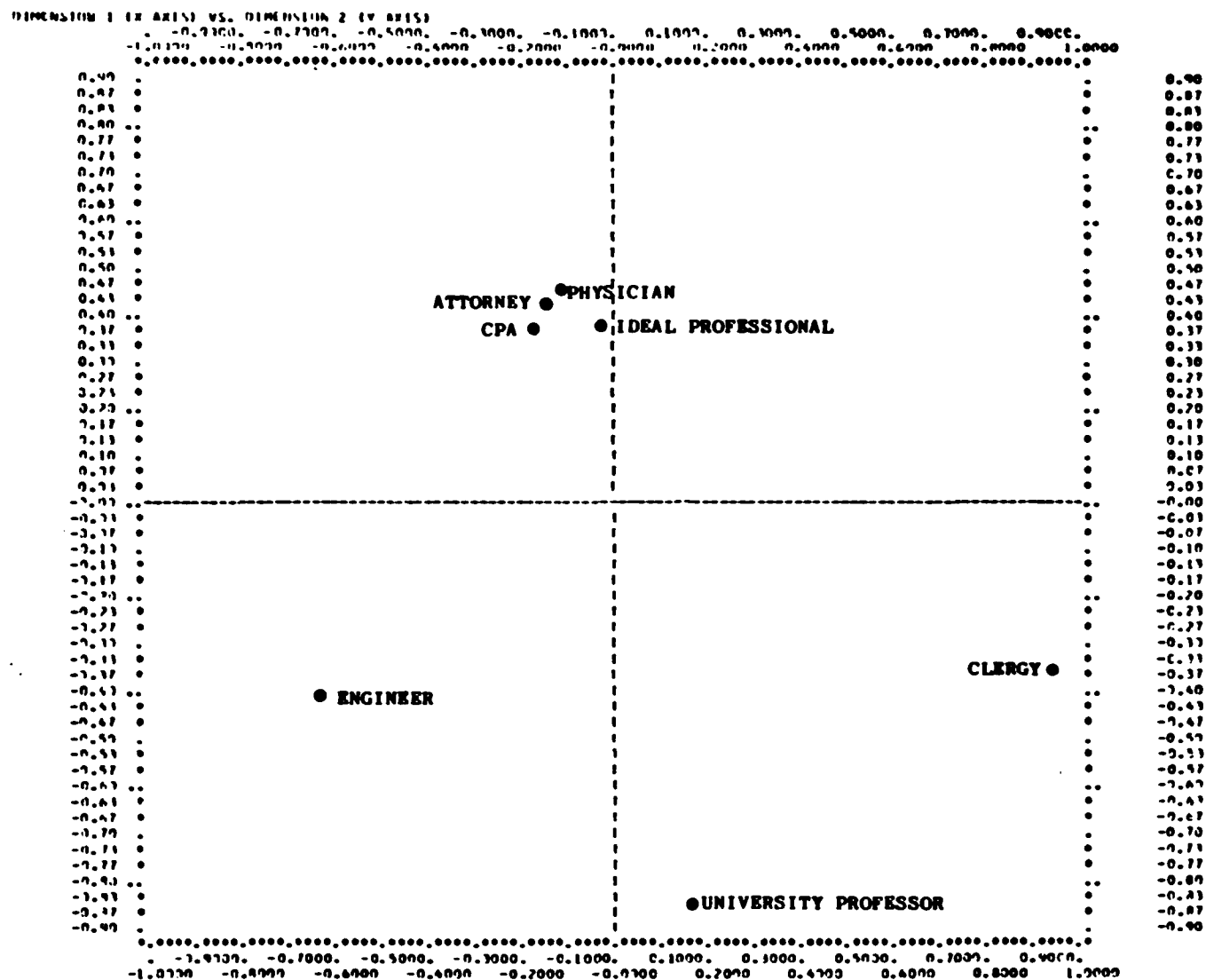


Figure 5-1(b). Two-space occupation configuration with -75° rotation of the axes and reflected from the TORSCA analysis of direct similarities for certified public accountant sample.

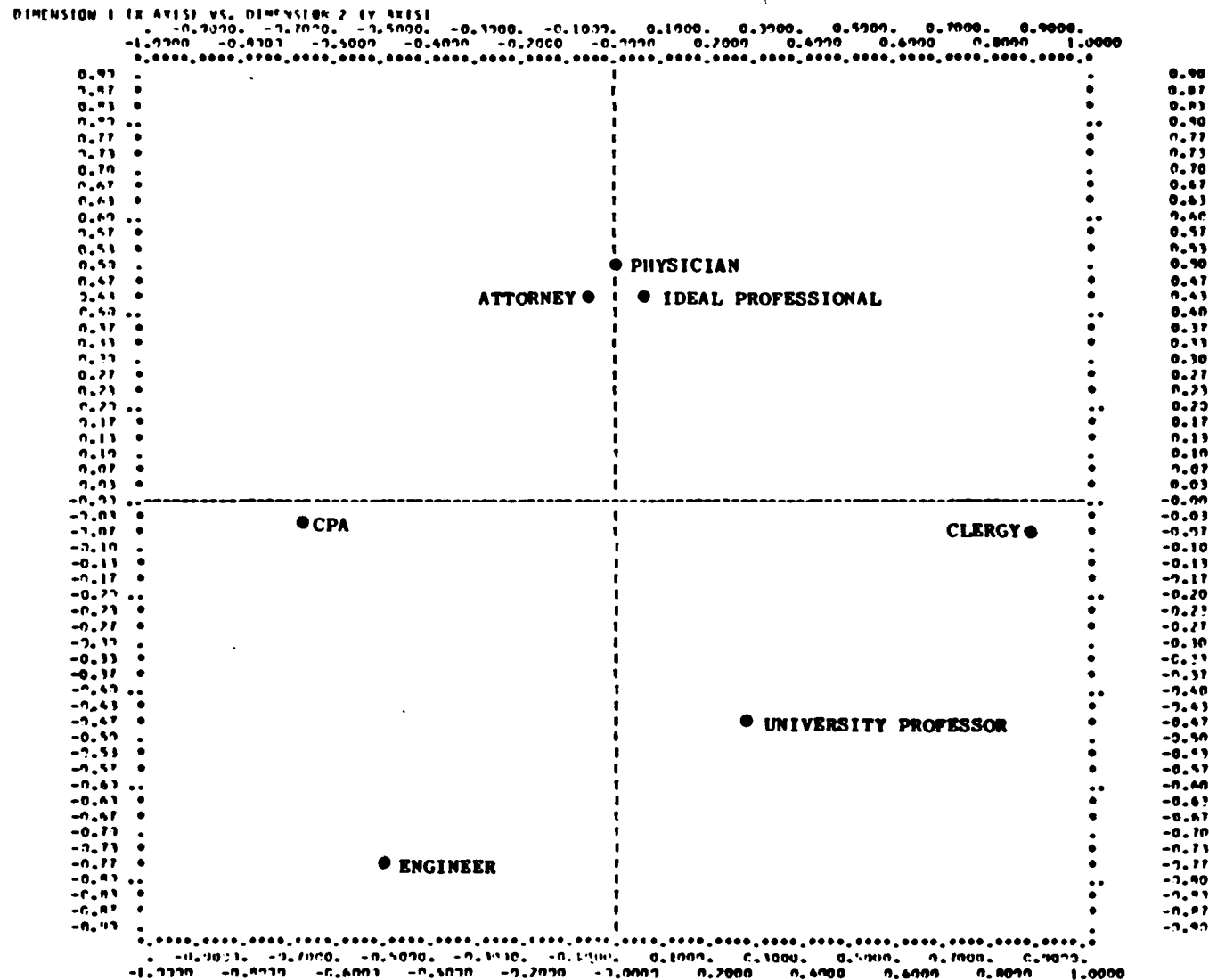


Figure 5-3(b). Two-space occupation configuration reflected from left to right and from top to bottom from the TORSCA analysis of direct similarities for attorney sample.

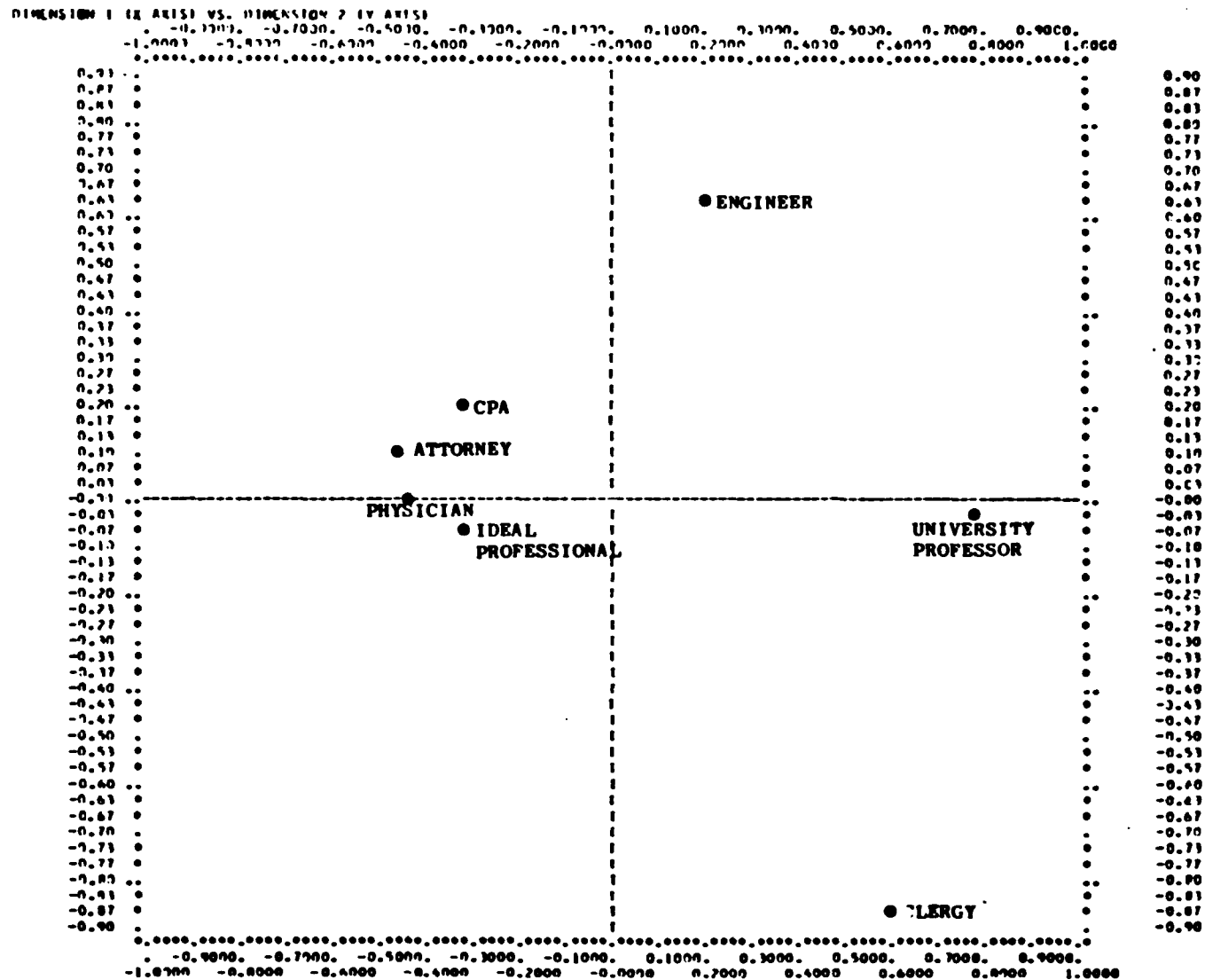


Figure 5-4(a). Two-space occupation configuration from the TORSICA analysis of direct similarities for financial executive sample.

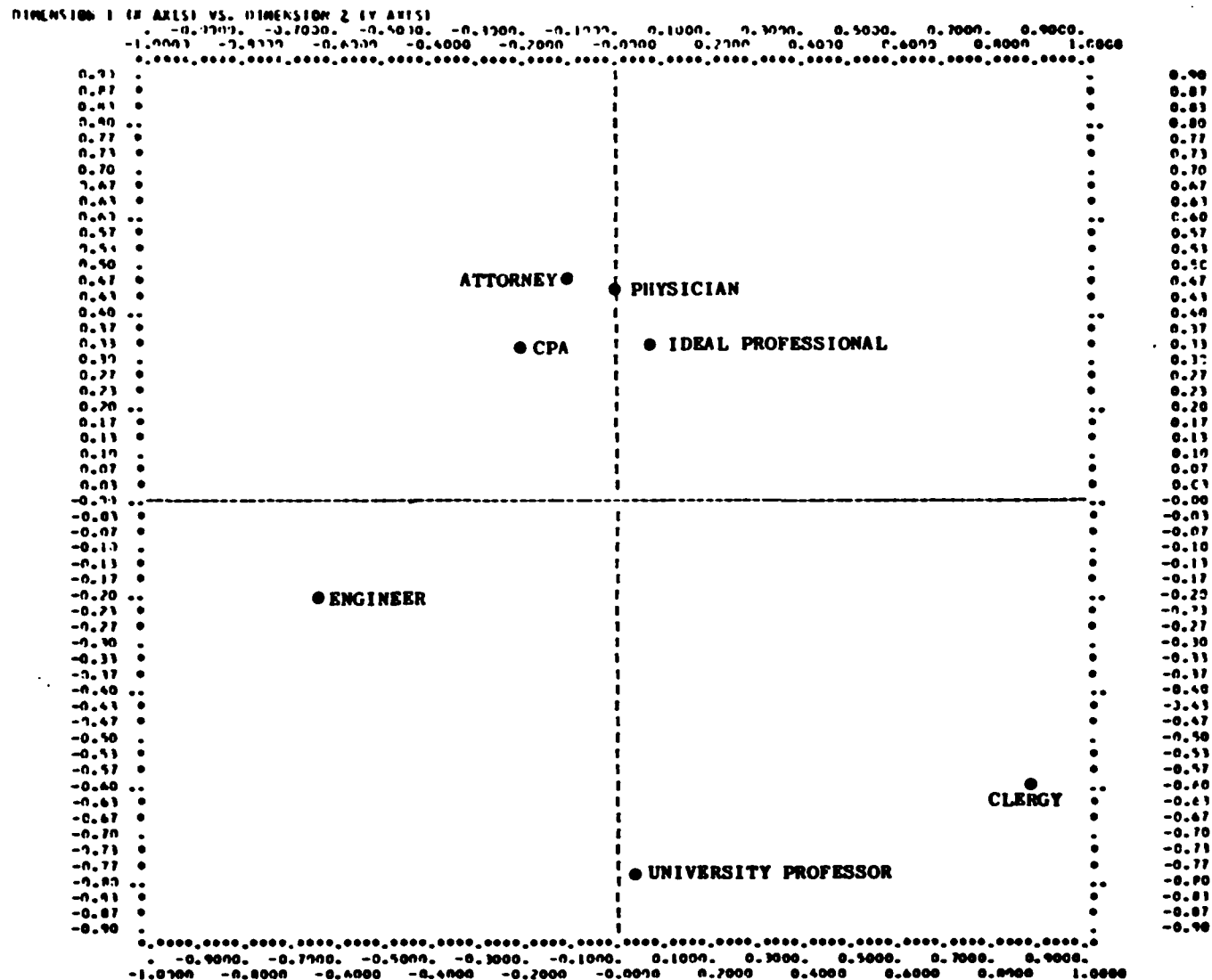


Figure 5-4(b). Two-space occupation configuration with -90° rotation of the axes and reflected from the TORSICA analysis of direct similarities for financial executive sample.

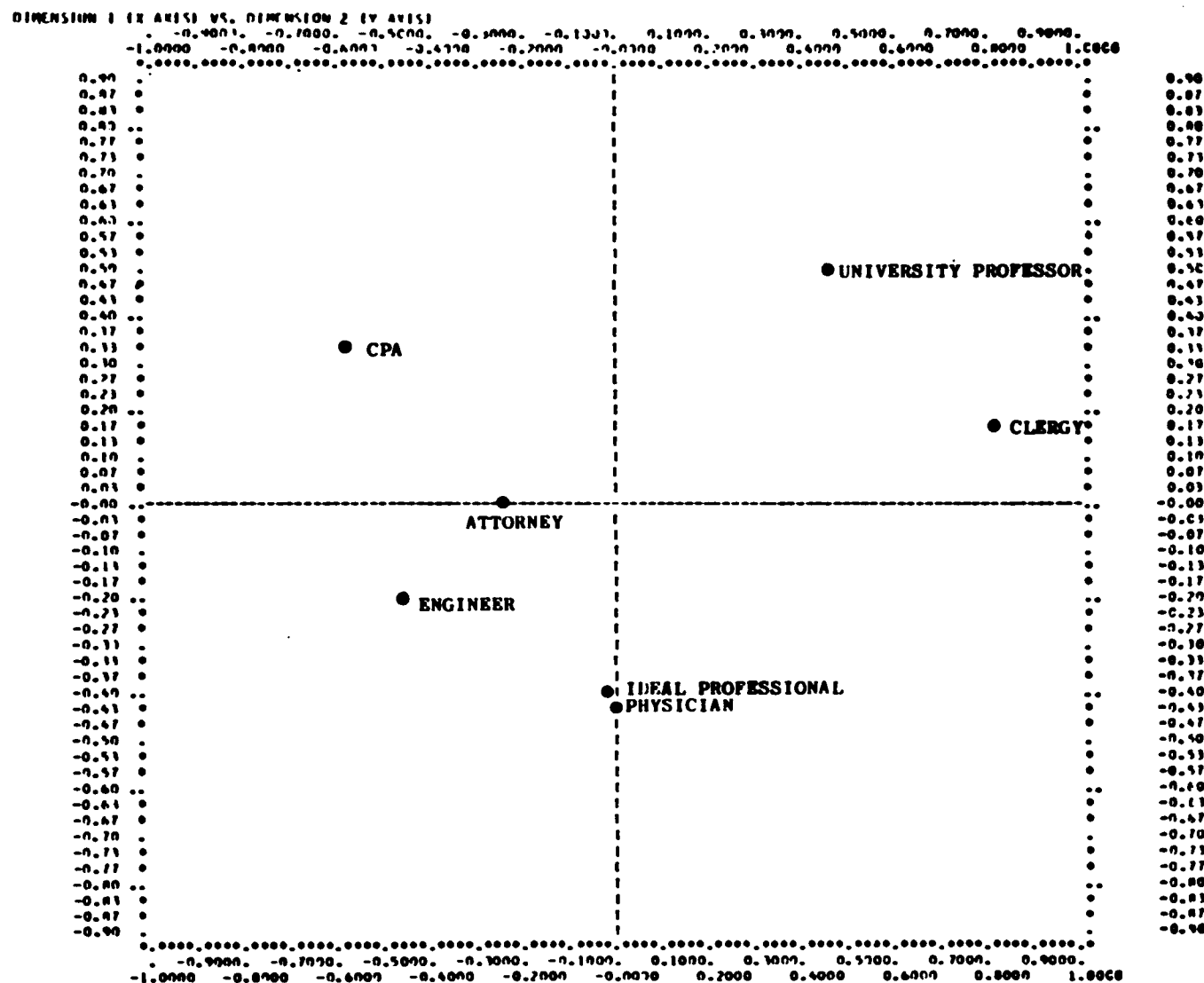


Figure 5-5(a). Two-space occupation configuration from the TORSCA analysis of direct similarities for chartered financial analyst sample.

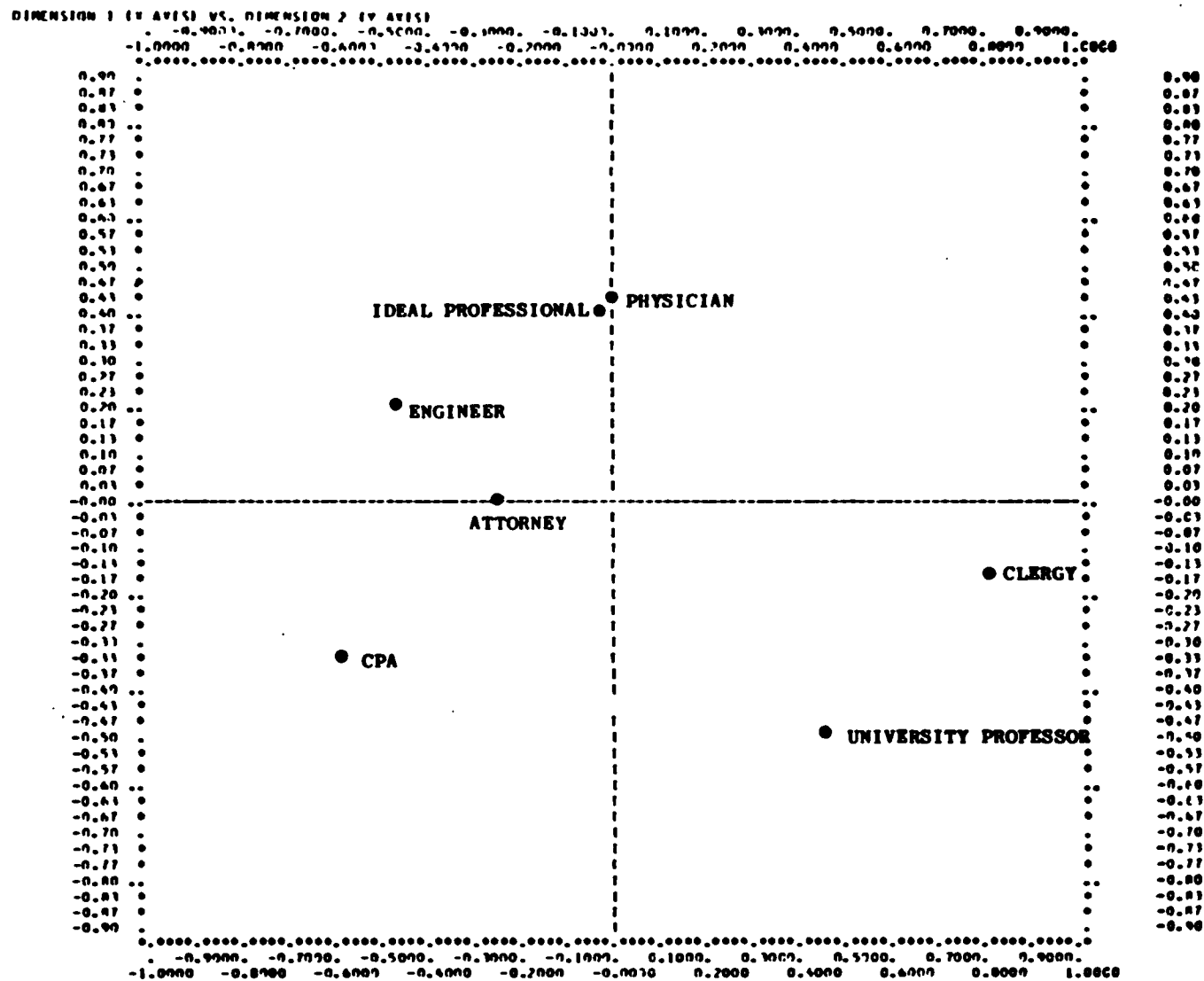


Figure 5-5(b). Two-space occupation configuration reflecting the original configuration from the TORSCA analysis of direct similarities for chartered financial analyst sample.

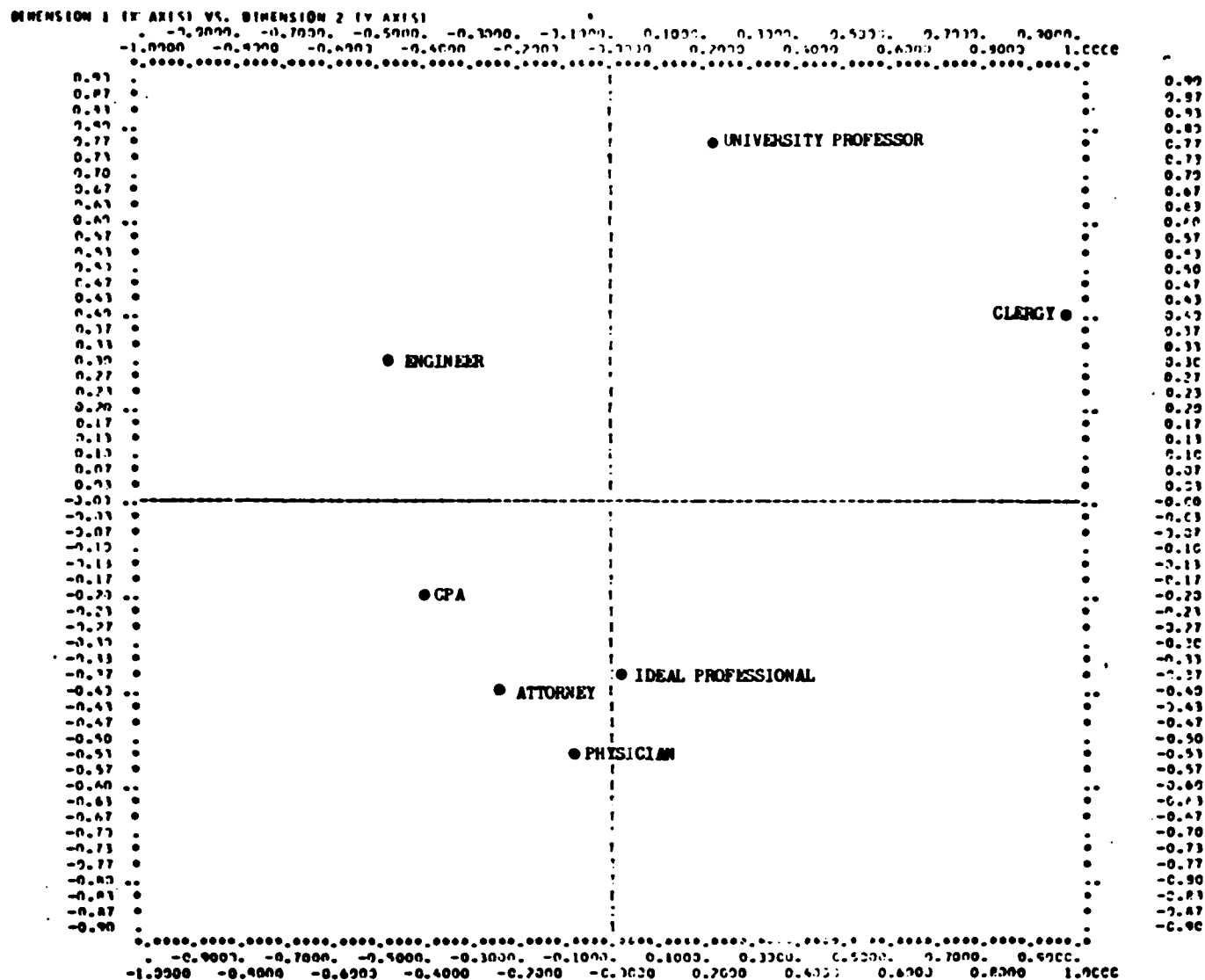


Figure 5-6(a). Two-space occupation configuration from the TORSCA analysis of direct similarities for all sample groups combined.

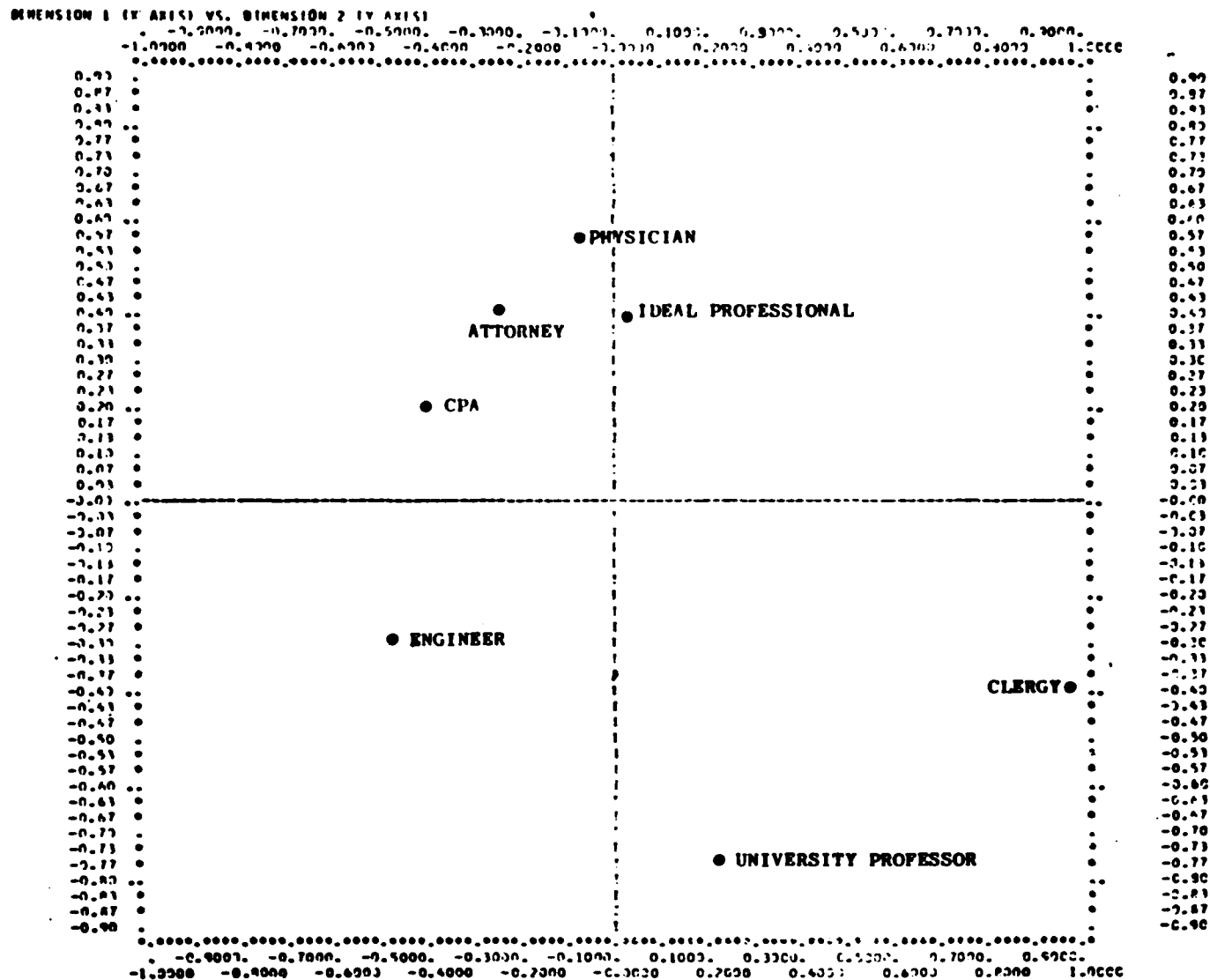


Figure 5-6(b). Two-space occupation configuration reflecting the original configuration from the TORSCA analysis of direct similarities for all sample groups combined.

TABLE 5-4

TWO DIMENSION STIMULUS COORDINATES AND MEANS OF
PROFESSIONAL ATTRIBUTES BY RESPONDENT GROUP

<u>Respondent Group</u>	<u>Stimulus Coordinates</u>		<u>Mean Value for Professional Attributes</u>			
	<u>X Axis</u>	<u>Y Axis</u>	<u>Esoteric Body of Knowledge</u>	<u>Ideal of Service</u>	<u>Ethics</u>	<u>Autonomy</u>
<u>Referent Occupations</u>						
CPA:						
CPA	-0.407	0.062	10.578	17.027	12.081	24.788
Medicine	-0.466	-0.001	9.323	15.405	11.909	20.645
Law	-0.438	0.031	11.063	18.861	12.795	23.283
University teaching	0.866	-0.057	12.645	16.851	19.112	27.524
Ministry	0.588	-0.799	14.833	13.421	13.468	29.228
Bankers:						
CPA	-0.472	-0.061	13.000	20.913	13.800	26.050
Medicine	-0.068	-0.506	9.728	15.702	11.995	21.678
Law	-0.128	-0.277	11.828	18.686	12.956	24.381
University teaching	0.094	0.557	13.366	16.778	18.911	28.228
Ministry	0.857	0.303	15.490	13.524	12.584	30.011
Attorneys:						
CPA	0.658	0.035	11.617	21.268	16.972	27.226
Medicine	0.001	-0.514	8.948	17.272	15.218	20.842
Law	0.051	-0.421	10.198	17.088	13.721	24.729
University teaching	-0.277	0.481	12.557	16.495	20.689	28.389
Ministry	-0.871	0.065	15.726	14.591	14.146	29.000

TABLE 5-4

TWO DIMENSION STIMULUS COORDINATES AND MEANS OF
PROFESSIONAL ATTRIBUTES BY RESPONDENT GROUP

<u>Respondent Group</u>	<u>Stimulus Coordinates</u>		<u>Mean Value for Professional Attributes</u>			
	<u>X Axis</u>	<u>Y Axis</u>	<u>Esoteric Body of Knowledge</u>	<u>Ideal of Service</u>	<u>Ethics</u>	<u>Autonomy</u>
<u>Referent Occupations</u>						
Financial executives:						
CPA	-0.329	0.211	11.500	19.460	12.399	25.281
Medicine	-0.446	-0.005	9.272	15.387	11.554	20.690
Law	-0.457	0.116	11.726	18.985	12.604	23.465
University teaching	0.776	-0.030	12.664	16.657	19.321	27.815
Ministry	0.595	-0.882	15.555	13.274	12.763	29.968
Financial analysts:						
CPA	-0.571	0.332	13.177	21.521	14.000	25.857
Medicine	-0.002	-0.422	9.698	17.021	13.458	20.301
Law	-0.236	0.010	12.146	20.104	14.323	23.631
University teaching	0.462	0.489	12.875	16.316	18.073	28.229
Ministry	0.819	0.178	16.432	13.583	12.591	30.750
All respondents combined:						
CPA	-0.398	-0.191	11.855	19.960	13.534	25.648
Medicine	-0.080	-0.518	9.412	15.964	12.536	20.898
Law	-2.247	-0.411	11.385	18.740	13.126	23.831
University teaching	0.220	0.781	12.849	16.680	19.186	27.962
Ministry	0.977	0.391	15.474	13.605	15.163	29.732

Analysis and Discussion of the Results

A review of the original and rotated spatial configurations of TORSCA show the physician to be perceived very similar to the ideal professional, with the attorney being in close proximity. Bankers view the attorney to be closer to the ideal professional than the physician. Accountants are placed further away from the ideal professional and less similar than the attorney and physician. This placement indicates that the CPA is perceived as possessing less professional status in that the rating of the professional attributes assigned to them is not as similar as the level accorded to the physician or attorney.

Engineers are perceived as a distinctly isolated group from the CPA, the physician, the attorney and the ideal professional and fall into their own distinct quadrant.

All respondent groups perceived the occupations of university teaching and ministry as very similar to each other, but very different from all of the other occupations in the group, and fall into a distinct quadrant. An attempt to identify the professional

attributes that set apart these occupations was made using multiple regression analysis.

The multiple regression tables 5-5 through 5-10 indicate that the variability is probably most clearly accounted for by ideal of service for the X axis and some construct reflecting aspects of autonomy and ethics for the Y axis. When the original axes are rotated, for presentation clarity, the signs of the Beta value for each regression analysis were adjusted to reflect the effect of the rotation. An analysis of an occupation's placement in multidimensional space and its proximity to the X axis with Y axis indicates whether or not there has been a shift in the definition of what attributes are necessary for professional status.

TABLE 5-5

REGRESSED PROFESSIONAL ATTRIBUTE VALUES ON TWO
 DIMENSION COORDINATES FOR CERTIFIED PUBLIC ACCOUNTANTS
 (Before rotation of axes)

$\underline{n} = 216$

X Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Autonomy	.3962	7.7125**	.7364	.7364
Ethics	.6125	13.0071***	.9215	.1851
Ideal of service	-.0316	- 7.3514**	.9986	.0771
Esoteric body of knowledge	(a)	(a)	(a)	(a)

Y Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Ideal of service	.4001	5.3176*	.6718	.6718
Esoteric body of knowledge	-.7760	- 9.2717***	.8511	.1793
Ethics	.4449	6.3189**	.9964	.1453
Autonomy	(a)	(a)	(a)	(a)

* $p < .05$

** $p < .01$

*** $p < .001$

(a) F-levels are insufficient for further computations.

TABLE 5-6

REGRESSED PROFESSIONAL ATTRIBUTE VALUES ON TWO
 DIMENSION COORDINATES FOR BANKERS
 (Before rotation of axes)

$\underline{n} = 196$

X Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Ideal of service	-.8173	- 6.5979**	.8098	.8098
Esoteric body of knowledge	.9059	1.5729	.9771	.1672
Autonomy	-.5002	- .8556	.9868	.0097
Ethics	(a)	(a)	(a)	(a)

Y Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Ethics	.9304	39.0589***	.9724	.9724
Esoteric body of knowledge	.1525	6.2220**	.9839	.0114
Ideal of service	.1323	5.5480*	.9995	.0156
Autonomy	(a)	(a)	(a)	(a)

* $p < .05$

** $p < .01$

*** $p < .001$

(a) F-levels are insufficient for further computations.

TABLE 5-7

REGRESSED PROFESSIONAL ATTRIBUTE VALUES ON TWO
 DIMENSION COORDINATES FOR ATTORNEYS
 (Before rotation of axes)
 $n = 109$

X Axis

Professional attribute	Beta	<u>t</u>	R ²	R ² Change
Ideal of service	.7612	7.9520*	.9235	.9235
Esoteric body of knowledge	-.5003	- 2.5776	.9886	.0652
Autonomy	.2084	1.1958	.9953	.0067
Ethics	(a)	(a)	(a)	(a)

Y Axis

Professional attribute	Beta	<u>t</u>	R ²	R ² Change
Autonomy	.3365	8.4753*	.7246	.7246
Ethics	.6387	32.8693**	.9824	.2578
Esoteric body of knowledge	.3232	8.7202*	.9998	.0173
Ideal of service	(a)	(a)	(a)	(a)

* $p < .01$

** $p < .001$

(a) F-levels are insufficient for further computations.

TABLE 5-8

REGRESSED PROFESSIONAL ATTRIBUTE VALUES ON TWO
 DIMENSION COORDINATES FOR FINANCIAL EXECUTIVES
 (Before rotation of axes)

$\underline{n} = 137$

X Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Autonomy	.4852	15.2764**	.7494	.7494
Ethics	.5095	17.3835**	.8924	.1430
Ideal of service	-.3627	-12.9582**	.9994	.1070
Esoteric body of knowledge	(a)	(a)	(a)	(a)

Y Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Ideal of service	.6111	25.2921**	.7573	.7573
Esoteric body of knowledge	-.5714	-22.9044**	.9627	.2054
Ethics	.1998	9.0048*	.9995	.0369
Autonomy	(a)	(a)	(a)	(a)

* $p < .01$

** $p < .001$

(a) F-levels are insufficient for further computations.

TABLE 5-9

REGRESSED PROFESSIONAL ATTRIBUTE VALUES ON TWO
 DIMENSION COORDINATES FOR CHARTERED FINANCIAL ANALYSTS
 (Before rotation of axes)

$\underline{n} = 100$

X Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Ideal of service	-.8848	- 6.7792*	.9432	.9432
Autonomy	.1862	1.4110	.9769	.0338
Ethics	.1044	.9066	.9873	.0104
Esoteric body of knowledge	(a)	(a)	(a)	(a)

Y Axis

Professional attribute	Beta	$\underline{t}$	R ²	R ² Change
Autonomy	2.1656	40.1530**	.6082	.6082
Ideal of service	.6009	29.1584**	.8406	.2324
Esoteric body of knowledge	-1.1622	-22.3337**	.9997	.1591
Ethics	(a)	(a)	(a)	(a)

* $p < .01$

** $p < .001$

(a) F-levels are insufficient for further computations.

TABLE 5-10

REGRESSED PROFESSIONAL ATTRIBUTE VALUES ON TWO
 DIMENSION COORDINATES FOR ALL RESPONDENT GROUPS
 (Before rotation of axes)
 $n = 758$

X Axis

Professional attribute	Beta	<u>t</u>	R ²	R ² Change
Ideal of service	-.6768	-36.2820*	.8304	.8304
Esoteric body of knowledge	.4718	22.5498*	.9997	.1693
Ethics	.0036	.1897	.9997	-
Autonomy	(a)	(a)	(a)	(a)

Y Axis

Professional attribute	Beta	<u>t</u>	R ²	R ² Change
Ethics	.7759	7.4410*	.9028	.9028
Esoteric body of knowledge	.3081	2.6599	.9886	.0858
Ideal of service	-.0663	-.6419	.9920	.0033
Autonomy	(a)	(a)	(a)	(a)

* $p < .001$

(a) F-levels are insufficient for further computations.

A review of Tables 5-5 through 5-10 indicate that the X axis is associated with ideal of service and esoteric body of knowledge. At least 67% of the explained variance from the multiple regression analysis was associated with the ideal of service. The X axis sets apart the university professor and clergy from the other occupational groups. The negative Beta associated with ideal of service indicates that the respondent groups view ideal of service in terms of an inverse relationship with occupations that are closely placed to the ideal professional, such as the physician, attorney or CPA. It appears that the various respondent groups did not consider a strong commitment to ideal of service as a necessary prerequisite for professional status. Perhaps the profit motive, inherent in all respondent groups, and the significant level of social programs in existence explain the lack of significance that the ideal of service attribute has in determining professional status. The existence of hospital clinics, combined with various state and federal government health programs mitigates the need of the doctor to provide free health care. Likewise, the appointment of public defenders to represent indigents accused of crimes mitigates the need of the attorney to provide free legal assistance.

Bankers as a respondent group also considered the esoteric body of knowledge a significant variable in comparing occupations. The attorney and physician were perceived to have more knowledge than the CPA and thus were perceived as closer to the ideal professional. Tables 5-11 through 5-15 support the spatial configurations. The mean scale values indicate that clergy was most closely associated with a commitment to ideal of service followed by the university professors.

The Y axis of the spatial configuration appears to be primarily associated with autonomy and ethics. Attorneys, financial executives, financial analysts and CPAs identified autonomy as the professional attribute that accounted for more than 60% of the explained variance due to the regression. The clustering of the attorneys and physicians about the ideal professional indicate that these occupational groups are apparently perceived as better able to work alone, determine the nature of their work and control their work environment. Financial analysts were unique in that they perceived the engineer to have more autonomy than the attorney or the CPA. Further, they viewed the clergy as having more autonomy than the CPA. Engineers were considered

to have a greater commitment to the ideal of service than that accorded to the CPA. The other respondent groups did not share these perceptions.

A review of the mean scale values for each of the professional attributes by respondent group (Tables 5-11 through 5-15) indicates that of all the occupational groups, the physician is perceived to possess a higher level of knowledge, a greater commitment to ideal of service and has greater autonomy than any other occupational group in the study. This was not true for ethics, where the CPA and the financial analyst did not perceive a significant difference between the CPA's code of ethics and that of the physician. Bankers, attorneys and financial executives did perceive the physician to have a higher level of knowledge. These findings are consistent with the multidimensional scaling configurations.

In comparing the CPA's perceived professional attributes with the law profession, bankers, attorneys and financial analysts agreed (significance level of .05 or less) that attorneys had more knowledge. Financial executives and CPAs felt that the CPA had a

greater body of knowledge. There was a somewhat similar split in the respondent groups in commitment to the ideal of service. Here the CPAs viewed themselves as having a greater commitment than attorneys. The financial executives maintained that lawyers had the same commitment to ideal of service as CPAs.

A majority of the respondent groups are in agreement in stating that they perceive the CPA to have at least the same level of knowledge, ethics and autonomy as university professors or members of ministry. Again, the perceived differences were statistically significant.

The analyses of the mean differences indicate support and agreement with the spatial configurations presented earlier. These findings are significant because they indicate a shift in the definition of what professional attributes are relevant to the business community. It appears that the concept of ideal of service is not highly valued while autonomy and the existence of an effective code of ethics are more significant in according professional status. If one considers the profit motive of the business community and that success is measured by materialistic standards, then the results of this research are plausible.

TABLE 5-11

A COMPARISON OF THE CERTIFIED PUBLIC ACCOUNTANTS' PERCEPTIONS OF THEIR
PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	19.3421 20.7525	-1.4105	2.980	.216	-6.53*	16.9684 19.6421	-2.6737	3.274	.238	-11.26*
CPA/Law	19.3421 18.9158	.4263	2.724	.198	2.16***	16.9684 16.1368	.8316	3.589	.260	3.19**
CPA/University teaching	19.3421 17.4105	1.9316	4.295	.312	6.20*	16.9684 18.0474	-1.0789	4.287	.311	-3.47**
CPA/Ministry	19.3421 15.1737	4.1684	4.661	.338	12.33*	16.9684 21.4895	-4.5211	4.479	.325	-13.91*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	17.9211 18.0947	-.1737	3.041	.221	-.79	25.2789 29.4526	-4.1737	4.424	.321	-13.00*
CPA/Law	17.9211 17.2053	.7158	3.527	.256	2.80**	25.2789 26.6474	-1.3684	3.805	.276	-4.96*
CPA/University teaching	17.9211 11.0053	6.9158	4.889	.355	19.50*	25.2789 22.3579	2.9211	6.974	.506	5.77*
CPA/Ministry	17.9211 14.5632	3.3579	5.330	.387	8.68*	25.2789 20.7158	4.5632	6.523	.473	9.64*

* $p < .0005$ ** $p < .005$ *** $p < .025$ (a) $n = 190$

TABLE 5-12

A COMPARISON OF THE BANKERS' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS'
PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	17.1613 20.2452	-3.0839	3.293	.264	-11.66*	14.2258 19.5490	-5.3161	3.978	.320	-16.64*
CPA/Law	17.1613 18.2968	-1.1355	2.819	.226	-5.01*	14.2258 16.5630	-2.3355	2.913	.234	-9.98*
CPA/University teaching	17.1613 16.5677	.5935	3.682	.296	2.01**	14.2258 18.3419	-4.1161	3.979	.320	-12.88*
CPA/Ministry	17.1613 14.6387	2.5226	4.851	.390	6.47*	14.2258 21.5806	-7.3548	4.535	.364	-20.19*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	16.2387 18.1290	-1.8903	3.697	.297	-6.37*	24.1290 28.4774	-4.3484	4.274	.343	-12.67*
CPA/Law	16.2387 17.1419	-.9032	3.047	.245	-3.69*	24.1290 25.7290	-1.6000	3.380	.271	-5.89*
CPA/University teaching	16.2387 11.2710	4.9677	4.631	.372	13.35*	24.1290 21.8129	2.3161	5.462	.439	5.28*
CPA/Ministry	16.2387 15.7548	.4839	5.411	.435	1.11	24.1290 20.0839	4.0452	6.027	.484	8.36*

* $p < .0005$
** $p < .025$

(a) $n = 155$

TABLE 5-13

A COMPARISON OF THE ATTORNEYS' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS'
PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	18.4375 21.2321	-2.7946	2.910	.275	-10.16*	13.1948 17.5195	-4.3247	3.683	.420	-10.30*
CPA/Law	18.4375 19.9286	-1.4911	3.323	.314	-4.75*	13.1948 17.5974	-4.4026	3.728	.425	-10.36*
CPA/University teaching	18.4375 17.5179	.9196	4.067	.384	2.39**	13.1948 18.3636	-5.1688	4.658	.531	-9.74*
CPA/Ministry	18.4375 14.2232	4.2143	5.177	.489	8.62*	13.1948 20.1429	-6.9481	4.979	.567	-12.25*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	13.1818 14.8571	-1.6753	2.536	.289	-5.80*	22.9221 29.2987	-6.3766	4.392	.501	-12.74*
CPA/Law	13.1818 16.4026	-3.2208	2.854	.325	-9.90*	22.9221 25.2598	-2.3377	3.878	.442	-5.29*
CPA/University teaching	13.1818 9.1948	3.9870	4.857	.554	7.20*	22.9221 21.7143	1.2078	7.232	.824	1.47
CPA/Ministry	13.1818 13.3377	-.1558	6.374	.726	-.021	22.9221 21.0519	1.8701	7.599	.866	2.16**

* $p < .0005$
** $p < .025$

(a) $\bar{n} = 77$

TABLE 5-14

A COMPARISON OF THE FINANCIAL EXECUTIVES' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS'
PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	18.5841 20.5541	-1.9735	2.630	.247	-7.98*	15.6106 19.7788	-4.1681	3.401	.320	-13.03*
CPA/Law	18.5841 18.2479	.3363	3.028	.285	1.18	15.6106 16.0796	-.4690	3.368	.317	-1.48
CPA/University teaching	18.5841 17.2920	1.2920	3.914	.368	3.51**	15.6106 18.2920	-2.6814	3.738	.352	-7.63*
CPA/Ministry	18.5841 14.5929	3.9912	4.275	.402	9.92*	15.6106 21.5841	-5.9735	4.210	.396	-15.08*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	17.5487 18.5929	-1.0442	3.124	.294	-3.55**	24.5664 29.0973	-4.5310	4.194	.395	-11.48*
CPA/Law	17.5487 17.5133	.0354	3.343	.315	.011	24.5664 26.2743	-1.7080	3.049	.287	-5.95*
CPA/University teaching	17.5487 10.8230	6.7257	4.785	.450	14.94*	24.5664 21.7875	2.7788	5.922	.557	4.99*
CPA/Ministry	17.5487 15.4690	2.0796	5.327	.501	4.15*	24.5664 19.7699	4.7965	6.544	.616	7.79*

* $p < .0005$
*** $p < .025$

** $p < .005$
(a) $n = 113$

TABLE 5-15

A COMPARISON OF THE CHARTERED FINANCIAL ANALYSTS' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS' PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	16.9859 20.2535	-3.2676	3.452	.410	-7.98*	13.6479 18.1268	-4.4789	4.532	.538	-8.33*
CPA/Law	16.9859 17.8169	-.8310	3.047	.362	-2.30***	13.6479 15.0485	-1.4366	4.031	.478	-3.00**
CPA/University teaching	16.9859 17.1549	-.1690	4.299	.510	-.33	13.6479 18.8873	-5.2394	4.234	.502	-10.43*
CPA/Ministry	16.9859 13.6338	3.3521	5.243	.622	5.39*	13.6479 21.9718	-8.3239	4.994	.593	-14.05*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	16.1972 16.8732	-.6761	3.405	.404	-1.67	23.8732 29.3099	-5.4366	4.170	.495	-10.98*
CPA/Law	16.1972 15.9718	.2254	3.765	.447	.50	23.8732 26.0141	-2.1408	3.870	.459	-4.66*
CPA/University teaching	16.1972 11.7183	4.4789	4.945	.587	7.63*	23.8732 21.7042	2.1690	5.957	.707	3.07**
CPA/Ministry	16.1972 15.3944	.8028	5.587	.663	1.21	28.8732 19.5915	4.2817	6.634	.787	5.44*

* $p < .0005$
 *** $p < .025$

** $p < .005$
 (a) $n = 71$

The CPA appears to possess some of the significant attributes that are valued by the business community but not to the extent of the ideal professional, the physician or the attorney. Specifically, he needs to be perceived to develop greater autonomy, a better code of ethics and a better esoteric body of knowledge in order to achieve the same status and resultant benefits.

In order to determine how the hypotheses are to be evaluated, one must give recognition to the shift in the significance of certain professional attributes. If one follows the classical professional model, then all four professional attributes should be present at a significant level for an occupation to be considered as a profession. However, if one considers the consensus of the respondent groups in this study, then, when knowledge, ethics and autonomy are present, the occupation is considered to be a profession. Thus, ideal of service does not have to exist for an occupation to be granted professional status in this specific business community.

The hypotheses in this research study will be evaluated using both models in the summary table. The next section will describe how the major and minor hypotheses will be evaluated.

Evaluation of Hypotheses

The major hypotheses for this research study cannot be evaluated directly through statistical tests. Rather, the approach must be inferential because the major hypotheses are based on the acceptance or rejection of minor hypotheses. For example, the major hypothesis H_1 states:

H_1 CPAs perceive themselves to be as professional as any other occupational group.

$H_{1.11}$ CPAs perceive themselves to be as professional as physicians.

$H_{1.12}$ CPAs perceive themselves to be as professional as attorneys.

$H_{1.13}$ CPAs perceive themselves to be as professional as clergy/rabbis.

$H_{1.14}$ CPAs perceive themselves to be as professional as university or college professors.

$H_{1.15}$ CPAs perceive themselves to possess the same attributes as the ideal professional.

Hypothesis $H_{1.1}$ in turn is supported by 4 minor hypotheses which deal with the professional attributes and can be evaluated statistically. Completing the illustration, the minor hypotheses supporting the major hypotheses are:

H_{1.1} CPAs perceive themselves to be as professional as physicians.

H_{1.1} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent or greater than that of the physician.

H_{1.2} CPAs perceive themselves to have the same or greater commitment to the ideal of service to the general public.

H_{1.3} CPAs perceive themselves to have the same code of ethics (provides protection to the public) which is at least as effective as that of the physician.

H_{1.4} CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as physicians.

By referring to Table 5-11, the minor hypotheses H_{1.11}, H_{1.12}, H_{1.13}, and H_{1.14} have not been supported at the .05 level of significance. H_{1.13} cannot be rejected because the difference between the means is not significant. Based on these findings, the hypothesis H_{1.1} would have to be rejected and indicates that the CPAs do not perceive themselves to be as professional as physicians. This approach would have to be repeated for the comparison of the CPAs with the attorneys, the CPAs with the clergy/rabbis, and the CPAs with university or college professors. In order to determine whether or not the CPA is perceived to

possess the same attributes as the ideal professional, one must refer to the spatial configurations in Figures 5-1(b) and see where the CPA perceives himself. Based on the occupational cluster in which the CPA perceives himself one would have to conclude the CPA perceives himself to possess the attributes which are associated with the ideal professional.

The following illustrates the complete analyses that must be used to evaluate the major hypotheses in this study. After evaluating hypotheses $H_{1.1}$ to $H_{1.5}$ and using the classical model as a criterion, one would have to conclude that CPAs do not perceive themselves to be as professional as physicians, attorneys, university or college professors and ministry because they are lacking in one or more of the professional attributes required for professional status. For example, when compared to attorneys, CPAs perceive themselves to have less autonomy. With respect to ministry they perceive themselves to have less of a commitment to the ideal of public service. However when one uses the dynamic model as a criterion in evaluating hypotheses $H_{1.1}$ to $H_{1.5}$ then CPAs do not perceive themselves to be as professional as physicians or attorneys but do perceive themselves to be as professional as university or college professors and ministry.

Bankers and attorneys did not perceive the CPAs to be as professional as physicians or as attorneys. Again, if one considers the classical model, bankers would not consider the CPAs to be as professional as university professors or ministry. But if one considers the dynamic model, then bankers would consider the CPAs to be as professional as the university professors and ministry. The data suggests that if the CPAs were able to project the impression of more autonomy, the financial executive might perceive the CPA to be as professional as the attorney.

TABLE 5-16

SUMMARY OF HYPOTHESES

	Has the hypotheses been supported		Level of probability	Table Reference
	Yes	No		
Major hypotheses:				
H ₁ CPAs perceive themselves to be as professional as all other occupational groups.		I	N/A	N/A
H _{1.1} CPAs perceive themselves to be as professional as physicians.		C,D	N/A	N/A
H _{1.2} CPAs perceive themselves to be as professional as attorneys.		C,D	N/A	N/A
H _{1.3} CPAs perceive themselves to be as professional as clergy/rabbis.	D	C	N/A	N/A
H _{1.4} CPAs perceive themselves to be as professional as university or college professors.	D	C	N/A	N/A
H _{1.5} CPAs perceive themselves to possess the same attributes as the ideal professional.	X		--	Figure 5-1(b)
H ₂ Bankers perceive CPAs to be as professional as all other occupational groups.		I	N/A	N/A
H _{2.1} Bankers perceive CPAs to be as professional as physicians.		C,D	N/A	N/A
H _{2.2} Bankers perceive CPAs to be as professional as attorneys.		C,D	N/A	N/A

C=classical model D=dynamic model I=inferred from minor hypotheses X=multidimensional scaling map

N/A - not applicable. Major hypotheses are inferred as supported or not supported from minor hypotheses. Therefore, individual levels of probability or table references are not given.

	<u>Has the hypotheses been supported</u>		<u>Level of probability</u> N/A	<u>Table Reference</u> N/A
	<u>Yes</u> D	<u>No</u> C		
H2.3 Bankers perceive CPAs to be as professional as clergy/rabbis.				
H2.4 Bankers perceive CPAs to be as professional as university professors.	D	C	N/A	N/A
H2.5 Bankers perceive CPAs to possess the same attributes as the ideal professional.		X	--	Figure 5-2(b)
H3 Attorneys who specialize in federal securities law perceive CPAs to be as professional as all other occupational groups.		I	N/A	N/A
H3.1 Attorneys who specialize in federal securities law perceive CPAs to be as professional as physicians.		C,D	N/A	N/A
H3.2 Attorneys who specialize in federal securities law perceive CPAs to be as professional as attorneys.		C,D	N/A	N/A
H3.3 Attorneys who specialize in federal securities law perceive CPAs to be as professional as clergy/rabbis.	D	C	N/A	N/A
H3.4 Attorneys who specialize in federal securities law perceive CPAs to be as professional as university or college professors.	D	C	N/A	N/A
H3.5 Attorneys who specialize in federal securities law perceive CPAs to possess the same attributes as the ideal professional.			--	Figure 5-3(b)

C=classical model D=dynamic model I=inferred from minor hypotheses X=multidimensional scaling map

N/A - not applicable. Major hypotheses are inferred as supported or not supported from minor hypotheses. Therefore, individual levels of probability or table references are not given.

	Has the hypotheses been supported		Level of probability N/A	Table Reference N/A
	Yes	No I		
H ₄ Business executives perceive CPAs to be as professional as all other occupational groups.				
H _{4.1} Business executives perceive CPAs to be as professional as physicians.		C,D	N/A	N/A
H _{4.2} Business executives perceive CPAs to be as professional as attorneys.		C,D	N/A	N/A
H _{4.3} Business executives perceive CPAs to be as professional as clergy/rabbis.	D	C	N/A	N/A
H _{4.4} Business executives perceive CPAs to be as professional as university or college professors.	D	C	N/A	N/A
H _{4.5} Business executives perceive CPAs to possess the same attributes as the ideal professional.	X		--	Figure 5-4(b)
H ₅ Investment analysts perceive CPAs to be as professional as all other occupational groups.		I	N/A	N/A
H _{5.1} Investment analysts perceive CPAs to be as professional as physicians.		C,D	N/A	N/A
H _{5.2} Investment analysts perceive CPAs to be as professional as attorneys.		C,D	N/A	N/A
H _{5.3} Investment analysts perceive CPAs to be as professional as clergy/rabbis.	D	C	N/A	N/A
H _{5.4} Investment analysts perceive CPAs to be as professional as university or college professors		C,D	N/A	N/A
H _{5.5} Investment analysts perceive CPAs to possess the same attributes as the ideal professional.		X	--	Figure 5-5(b)

C=classical model D=dynamic model I=inferred from minor hypotheses X=multidimensional scaling map

N/A - not applicable. Major hypotheses are inferred as supported or not supported from minor hypotheses. Therefore, individual levels of probability or table references are not given.

	Has the hypotheses been supported		Level of probability	Table Reference
	Yes	No		
Minor hypotheses:				
H _{1.1} CPAs perceive themselves to be as professional as physicians.		C,D	I	
H _{1.11} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.		C,D	.0005	5-11
H _{1.12} CPAs perceive themselves to have the same or greater commitment as physicians to the ideal of service to the general public.		C,D	.0005	5-11
H _{1.13} CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.	C,D		--	5-11
H _{1.14} CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as the physician.		C,D	.0005	5-11
H _{1.2} CPAs perceive themselves to be as professional as attorneys.		C,D	I	
H _{1.21} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.	C,D		.025	5-11
H _{1.22} CPAs perceive themselves to have the same or greater commitment as attorneys to the ideal of service to the general public.	C,D		.005	5-11
H _{1.23} CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.	C,D		.005	5-11
H _{1.24} CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as attorneys.		C,D	.0005	5-11

C=classical model D=dynamic model I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table Reference
	<u>Yes</u>	<u>No</u>		
H _{1.3} CPAs perceive themselves to be as professional as clergy/rabbis (ministry).	D	C	I	
H _{1.31} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the ministry.	C,D		.0005	5-11
H _{1.32} CPAs perceive themselves to have the same or greater commitment as clergy/rabbis to the ideal of service to the general public.	D	C	.0005	5-11
H _{1.33} CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the clergy/rabbi.	C,D		.0005	5-11
H _{1.34} CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as ministry.	C,D		.0005	5-11
H _{1.4} CPAs perceive themselves to be as professional as university or college professors.	D	C	I	
H _{1.41} CPAs perceive themselves to have an esoteric body of knowledge which is equivalent to or greater than that of the university or college professor.	C,D		.025	5-11
H _{1.42} CPAs perceive themselves to have the same or greater commitment as university or college professors to the ideal of service to the general public.	D	C	.005	5-11
H _{1.43} CPAs perceive themselves to have a code of ethics (provides protection to the public) which is at least as effective as that of the university or college professor.	C,D		.005	5-11

C=classical model

D=dynamic model

I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table Reference
	Yes	No		
H1.44 CPAs perceive themselves to have the same or greater autonomy (control over the content of one's work) as university or college professors.	C,D		.005	5-11
H2.2 Bankers perceive CPAs to be as professional as attorneys.		C,D	I	
H2.21 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.		C,D	.0005	5-12
H2.22 Bankers perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.		C,D	.0005	5-12
H2.23 Bankers perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.		C,D	.0005	5-12
H2.24 Bankers perceive CPAs to have the same or greater autonomy (control over the content of one's work) as attorneys.		C,D	.0005	5-12
H2.3 Bankers perceive CPAs to be as professional as clergy/rabbis (ministry).	D	C	I	
H2.31 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.	C,D		.0005	5-12
H2.32 Bankers perceive CPAs to have the same or greater commitment as ministry to the ideal of service to the general public.	D		.0005	5-12

C=classical model

D=dynamic model

I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table reference
	<u>Yes</u>	<u>No</u>		
H2.33 Bankers perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of ministry.	C,D		.0005	5-12
H2.34 Bankers perceive CPAs to have the same or greater autonomy (control over the content of one's work) as ministry.	C,D		.0005	5-12
H2.4 Bankers perceive CPAs to be as professional as university or college professors.	D	C	I	
H2.41 Bankers perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university or college professors.	C,D		.025	5-12
H2.42 Bankers perceive CPAs to have the same or greater commitment as university or college professors to the ideal of service to the general public.	D	C	.0005	5-12
H2.43 Bankers perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of university or college professors.	C,D		.0005	5-12
H2.24 Bankers perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college professors.	C,D		.0005	5-12

C=classical model

D=dynamic model

I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table reference
	<u>Yes</u>	<u>No</u>		
H3.1 Attorneys who specialize in federal securities law perceive CPAs to be as professional as physicians.		C,D	I	
H3.11 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.		C,D	.0005	5-13
H3.12 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as physicians to the ideal of service to the general public.		C,D	.0005	5-13
H3.13 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.		C,D	.0005	5-13
H3.14 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as the physicians.		C,D	.0005	5-13
H3.2 Attorneys who specialize in federal securities law perceive CPAs to be as professional as attorneys.		C,D	I	
H3.21 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of attorneys.		C,D	.0005	5-13
H3.22 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.		C,D	.0005	5-13

C=classical model

D=dynamic model

I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table reference
	Yes	No		
H3.23 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of attorneys.		C,D	.0005	5-13
H3.24 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as attorneys.		C,D	.0005	5-13
H3.3 Attorneys who specialize in federal securities law perceive CPAs to be as professional as clergy/rabbis (ministry).	D	C	I	
H3.31 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.	C,D		.0005	5-13
H3.32 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as ministry to the ideal of service to the general public.	D	C	.0005	5-13
H3.33 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of ministry.	C,D		--	5-13
H3.34 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as ministry.	C,D		.025	5-13

C=classical model

D=dynamic model

I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table reference
	<u>Yes</u>	<u>No</u>		
H3.4 Attorneys who specialize in federal securities law perceive CPAs to be as professional as university or college professors.	D	C	I	
H3.41 Attorneys who specialize in federal securities law perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university college professors.	C,D		.025	5-13
H3.42 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater commitment as university or college professors to the ideal of service to the general public.	D	C	.0005	5-13
H3.43 Attorneys who specialize in federal securities law perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of university or college professors.	C,D		.0005	5-13
H3.44 Attorneys who specialize in federal securities law perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college professors.	C,D		--	5-13
H4.1 Business executives perceive CPAs to be as professional as physicians.		C,D	I	
H4.11 Business executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.		C,D	.0005	5-14
H4.12 Business executives perceive CPAs to have the same or greater commitment as physicians to the ideal of service to the general public.		C,D	.0005	5-14

C=classical model D=dynamic model I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table reference
	<u>Yes</u>	<u>No</u>		
H4.13 Business executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.		C,D	.0005	5-14
H4.14 Business executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as physicians.		C,D	.0005	4-14
H4.2 Business executives perceive CPAs to be as professional as attorneys.		C,D	I	
H4.21 Business executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.	C,D		.025	5-14
H4.22 Business executives perceive CPAs to have the same or greater commitment as attorneys to the ideal of service to the general public.	D	C	--	5-14
H4.23 Business executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.	C,D		--	5-14
H4.24 Business executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as attorneys.		C,D	.0005	5-14
H4.3 Business executives perceive CPAs to be as professional as clergy/rabbis (ministry).	D	C	I	
H4.31 Business executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.	C,D		.0005	5-14
H4.32 Business executives perceive CPAs to have the same or greater commitment as ministry to the ideal of service to the general public.	D	C	.0005	5-14

	Has the hypotheses been supported		Level of probability	Table Reference
	Yes	No		
H4.33 Business executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of ministry.	C,D		.0005	5-14
H4.34 Business executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as ministry.	C,D		.0005	5-14
H4.4 Business executives perceive CPAs to be as professional as university or college professors.	D	C	I	
H4.41 Business executives perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university or college professors.	C,D		.005	5-14
H4.42 Business executives perceive CPAs to have the same or greater commitment as university or college professors to the ideal of service to the general public.	D	C	.0005	5-14
H4.43 Business executives perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of university or college professors.	C,D		.0005	5-14
H4.44 Business executives perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college professors.	C,D		.0005	5-14

C=classical model

D=dynamic model

I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table Reference
	<u>Yes</u>	<u>No</u>		
H5.1 Investment analysts perceive CPAs to be as professional as physicians.		C,D	I	
H5.11 Investment analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the physician.		C,D	.0005	5-14
H5.12 Investment analysts perceive CPAs to have the same or greater commitment as the physicians to the ideal of service to the general public.		C,D	.0005	5-14
H5.13 Investment analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the physician.		C,D	--	5-14
H5.14 Investment analysts perceive CPAs to have the same or greater autonomy (control over the content of one's work) as physicians.		C,D	.0005	5-14
H5.2 Investment analysts perceive CPAs to be as professional as attorneys.		C,D	I	
H5.21 Investment analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of the attorney.		C,D	.025	5-15
H5.22 Investment analysts perceive CPAs to have the same or greater commitment as the attorneys to the ideal of service to the general public.		C,D	.005	5-15
H5.23 Investment analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of the attorney.	C,D		. --	5-15
H5.24 Investment analysts perceive CPAs to have the same or greater autonomy (control over the content of one's work) as the attorneys.		C,D	.0005	5-15

C=classical model D=dynamic model I=inferred from minor hypotheses

	Has the hypotheses been supported		Level of probability	Table reference
	Yes	No		
H5.3 Investment analysts perceive CPAs to be as professional as clergy/rabbis (ministry).	D	C	I	
H5.31 Investment analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of ministry.	C,D		.025	5-15
H5.32 Investment analysts perceive CPAs to have the same or greater commitment as ministry to the ideal of service to the general public.	D	C	.005	5-15
H5.33 Investment analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of ministry.	C,D		--	5-15
H5.34 Investment analysts perceive CPAs to have the same autonomy (control over the content of one's work) as ministry.	C,D		.0005	5-15
H5.4 Investment analysts perceive CPAs to be as professional as university or college professors.	D	C	I	
H5.41 Investment analysts perceive CPAs to have an esoteric body of knowledge which is equivalent to or greater than that of university or college professors.	C,D		--	5-15
H5.42 Investment analysts perceive CPAs to have the same or greater commitment as university or college professors to the ideal of service to the general public.	D	C	.0005	5-15
H5.43 Investment analysts perceive CPAs to have a code of ethics (provides protection to the public) which is at least as effective as that of university or college professors.	C,D		.0005	5-15
H5.44 Investment analysts perceive CPAs to have the same or greater autonomy (control over the content of one's work) as university or college	C,D		.005	5-15

C=classical model D=dynamic model I=inferred from minor hypotheses

CHAPTER VI

THE EFFECT OF THE NON-RESPONDENT ON
THE RESEARCH RESULTS

One of the major problems that confronts the researcher when he uses the survey techniques is that of the non-respondent. That is, if the non-respondent decided to participate, would his answers alter the results of the research. This chapter describes the procedures used to contact a group of the non-respondents, to ascertain why they chose not to participate, and to determine if their views were significantly different from those who did chose to participate.

It will be recalled from the description of the methodology that two letters were sent to each individual in the respective sample groups. The first letter was the initial contact letter, explaining the nature of the research project and the second letter was a reminder that their response had not been received and would they please complete the questionnaire now. A record was maintained of the individuals who did not respond. From this latter group, a sub-sample of 90 individuals was selected at random from all non-respondent groups

combined. Ninety were chosen to give a sufficiently large response rate as to why some individuals chose not to respond and to determine if their perceptions of the CPA's professional status was different from the actual responses that were received.

Since the original non-respondents ignored the first two letters, it was decided that such further attempts would yield marginal results as to the reasons that individuals chose not to respond. Consequently, all of these individuals were called at their office. If the respondent was not initially available, a second telephone call was made. As a result of these efforts, 54 out of 90 individuals were contacted. The remaining 36 individuals could not be reached because there was no forwarding address, the telephone number had been changed, the person was not available, or refused to speak.

Of the 54 individuals that were contacted, the primary reason for not answering the questionnaire was solicited. In addition, the non-respondent was asked to answer question No. 8 of the questionnaire. Question No. 8 was selected as a control question because it was short and amenable to being answered on the telephone.

Of the 54 individuals who were contacted, 34 did not answer the questions. The rankings of the non-respondent group were then compared to the rankings of the occupations by the original respondent groups combined through the use of a Chi-square test. The Chi-square analysis did not show a significant difference between the respondent group and the non-respondent group at the .05 level of significance. A detail of the Chi-square analysis is given below.

TABLE 6-1

Comparison of Occupational Rankings Given by
Original Respondent Groups and Non-Respondent Group
 (Question No. 8 of Occupational Perception Questionnaire)

<u>Occupation</u>	<u>Chi-square statistics for original group and non-respondent</u>
CPA	1.650
Medicine	7.454
Law	6.778
University teaching	5.138
Ministry	7.443
Engineering	3.252

$$\chi^2 = 11.07 \text{ with } 5 \text{ df. } p < .05$$

The primary reasons given for not completing the questionnaire are summarized below.

TABLE 6-2

Summary of Reasons for Failure
to Respond to Survey

<u>Reason</u>	<u>Number</u>
Does not answer questionnaire or time does not permit participation	43
Questionnaire was regarded as too complex and/or too long	8
Questionnaire was too subjective	2
No interest in the topic	<u>1</u>
Total	<u>54</u>

The summary of reasons for non-response when combined with the Chi-square analysis of the control question No. 8 indicate that the non-respondent group was not significantly different from the respondent group except that a majority of them did not have the time and/or the inclination to participate.

In essence, based on the additional contact with the non-respondent, there does not appear to be a significant non-response bias that would affect the results presented in the previous chapter.

A review of the 71 non-useable questionnaires and related correspondences that were returned with the first and second requests to participate in the research project also provided additional insight as to why individuals did not complete the questionnaire. An analysis of the comments indicate that the primary reasons for not completing the questionnaire were: lack of available time and/or a policy of not answering such questionnaires and the perceived lack of ability to answer the questionnaire because the respondent felt that the questionnaire was too subjective, too complex, and too long. These findings support and corroborate the results obtained from the additional contacts made with the randomly selected members of the non-respondent group.

CHAPTER VII

CONCLUSION

Summary of Findings

The limitations of the ideal professional model precluded its use in an empirically based study. The main weakness of the ideal model was based on the assumption that if an occupational group identified itself with certain professional attributes it would result in professional status. Further there was no distinction between the relative significance of the attributes nor was there any consideration given to the significance of the referent groups in assigning status. The research and writings of such individuals as Hughes, Freidson and Larson indicated that the ideal model was not appropriate. Early empirical research based on the ideal model yielded conflicting results and indicated the significance of referent groups in determining professional status.

Based on the writings of Hughes, Freidson, Moore and Larson, a dynamic model of professionalism was developed. The dynamic model places greater emphasis on the

professional attribute of autonomy. Further, the emphasis is not based on claims of professional status but on status accorded by significant referent groups.

The dynamic model does not diminish any of the professional attributes nor does the model assume that all professional attributes have to be present in equal proportions. Rather, the dynamic model permits the significance of autonomy to surface in its capacity to prevent encroachment by other occupational groups and governmental authorities. The strength of a professional group can be related to its ability to use power to control and influence the very nature and essence of an occupational group. For example, the use of licensing is based on the premise of providing protection to the public from charlatans. However, licensing requirements may also be viewed as the means by which occupational groups limit access to a given occupation. To the extent that an occupational group has input into the licensing requirements, that occupational group exhibits autonomy.

Multidimensional scaling techniques were employed to identify the significance of each of the professional

attributes in ascertaining professional status. In particular, the professional attributes of esoteric body of knowledge, a commitment to an ideal of service, the existence of an effective code of ethics and autonomy to control the nature and content of one's work were evaluated in terms of perceptions recorded by selected groups from the business community. These findings were then compared to the perceptions recorded for CPAs by business groups which included bankers, attorneys who specialize in securities law, financial executives and financial analysts. These groups were considered important referent groups because of their familiarity with the nature and content of the CPAs' work.

The empirical data succeeded in identifying the attribute of autonomy as the major determinant of professionalism. Only one respondent group, the bankers, considered an effective code of ethics as a significant determinant variable. For all respondent groups, ideal of service had an inverse relationship to professional status. The professional dimension of esoteric body of knowledge did not appear to be a discriminant variable among the respondent groups in this study.

The empirical evidence collected in this research project indicates which significant members of the business community do not perceive the CPA to possess the same level of the four professional attributes as the physician or the attorney but more than university professor and ministry. In particular, all respondent groups did not perceive CPAs to possess the same level of autonomy as physicians or lawyers but more than university professors and ministry. These perceptions are significant because autonomy has been identified as the significant variable that indicates professional status and the CPA is perceived to possess less of this attribute than physicians or attorneys. In effect, the CPAs' claims of professional status are now suspect.

The CPAs' perceptions of themselves, as a distinct occupational group, differ from the perceptions of the other respondent groups. In particular, while the CPAs acknowledged the physicians' "superiority" in the attributes of knowledge, commitment to public service and autonomy, they perceived their code of ethics to be as effective as that of the physicians. In contrast, when CPAs compared themselves to attorneys they considered themselves to have a greater esoteric body of

knowledge, a greater commitment to ideal of service and to possess a more effective code of ethics. CPAs did acknowledge that they thought attorneys had more autonomy as an occupational group.

Autonomy and the Accounting Establishment

Perhaps the divergence of views on the CPAs' professional status can best be explained by looking at the at the professional construct of autonomy and how it relates to the "accounting profession" as we know it today.

As previously noted, autonomy refers to an occupational groups' ability to define the nature and content of one's work as well as being able to prescribe who is qualified to practice in that occupation. The occupations of medicine and law have been identified as occupations that possess such autonomy and continuously direct efforts to preclude any erosion of autonomy through political activity. With respect to CPAs, the concept of autonomy appears to be elusive.

Historically, CPAs had the ability to establish accounting standards and promulgations but failed to act as a

cohesive force in recognizing and implementing the need for adequate financial reporting until the economic collapse that occurred in 1929. In 1933, the U.S. Congress enacted the Securities and Exchange Act of 1933 which created the Securities and Exchange Commission and mandated the Commission to establish accounting and reporting standards. The 1933 Act was supplemented by the 1934 Act which stipulated various reporting requirements for companies whose securities were publicly traded.

In the early days of the SEC's existence, the governmental agency did not have adequate staffing of qualified personnel to fulfill the mandate established by the U.S. Congress. With encouragement from the then professional organization, the American Institute of Accountants (AIA), the SEC relinquished its responsibility of establishing accounting standards. Instead, the SEC accepted the concept of relying on accounting standards that were established in the private sector as long as they were considered to have "substantial authoritative support." During this time period, despite minor differences, the standard setting function remained within the domain of the AIA through its Committee on Accounting Procedures (CAP).

In the mid 1950s, after much criticism as to the quality of standards published and the lack of adequate research on accounting problems, the Committee on Accounting Procedures was replaced by the Accounting Principles Board (APB). This organization was still under the auspices of the accountants' professional organization whose name had been changed to the American Institute of Certified Public Accountants (AICPA). During the reign of CAP and the early days of the APB, the SEC reaffirmed its position to let the rule-making function reside within the private sector. The significance of the accounting profession's structure prior to the establishment of the Financial Accounting Standards Board is the fact that the authority to establish accounting rules was exercised by the private sector through the APB even though the power was vested with the SEC by the 1933 Act. Figure 7.1 presents a schematic diagram depicting the flow of autonomy during the existence of the APB.

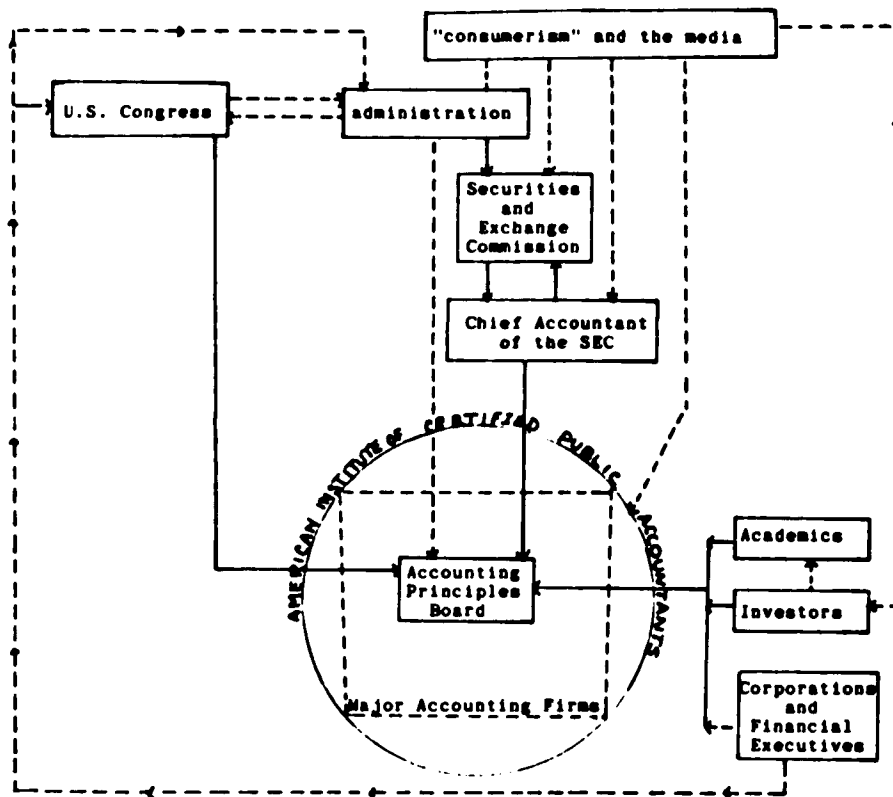


Figure 7-1. The accounting establishment prior to 1973*

Figure 7.1 illustrates the central role of the AICPA in the formulation of accounting standards through the support of the major public accounting firms. The nature of support of the major firms was both monetary and direct involvement in the formulation of accounting standards as members of the APB. While the academic

*Adapted from the writings of Lee Seidler (1979, p.41).

community was supposed to have input in the formulation of accounting standards, the academic community was perceived to have very little effective influence. This was not the case for the business community who were major clients of the large accounting firms. The business community exerted a strong influence on the APB through its close relationship with the auditors.

During the early years of the APB, the SEC did not assume a dominant role in formulating accounting standards. However, in the wake of the economic chaos of the 1960s, the SEC indicated that there was a need for reform and that it would exercise its authority unless the private sector ameliorated the current deficiencies. It should be noted that during the existence of the APB, the accounting profession felt and reacted to pressure from Congress and the SEC, but the setting of accounting standards were still considered to be within the domain of the private sector (as represented by the AICPA). However, the AICPA and the APB did not heed the need for reform on a timely basis. The accounting literature does not indicate any recorded attempts to measure the business community's perception of where the power base existed for the establishment of accounting standards. The literature

refers to the private sector as the rule making body, but this becomes suspect with the SEC's increasing involvement in the accounting standard setting function during the late 1960s.

In the wake of decreased public confidence and increased litigation, the AICPA established the Wheat Committee to investigate and suggest reforms for the accounting profession. Based on the recommendations of the Wheat Committee, the APB structure was replaced by the Financial Accounting Standards Board (FASB) which was structured to be independent of the AICPA and the major accounting firms. The FASB was to investigate issues and respond to the various user needs such as those represented by financial executives, investors, Congress and the administration, the AICPA, the various accounting firms and consumer groups in general. The very close relationship of the major accounting firms and the rule-making body was to be severed. The AICPA's strength as a rule-making body was diffused. Its autonomy was weakened.

Figure 7.2 depicts the diffusion of power that occurred after the creation of the FASB and the accounting profession's determination to retain the establishment of accounting standards in the private sector.

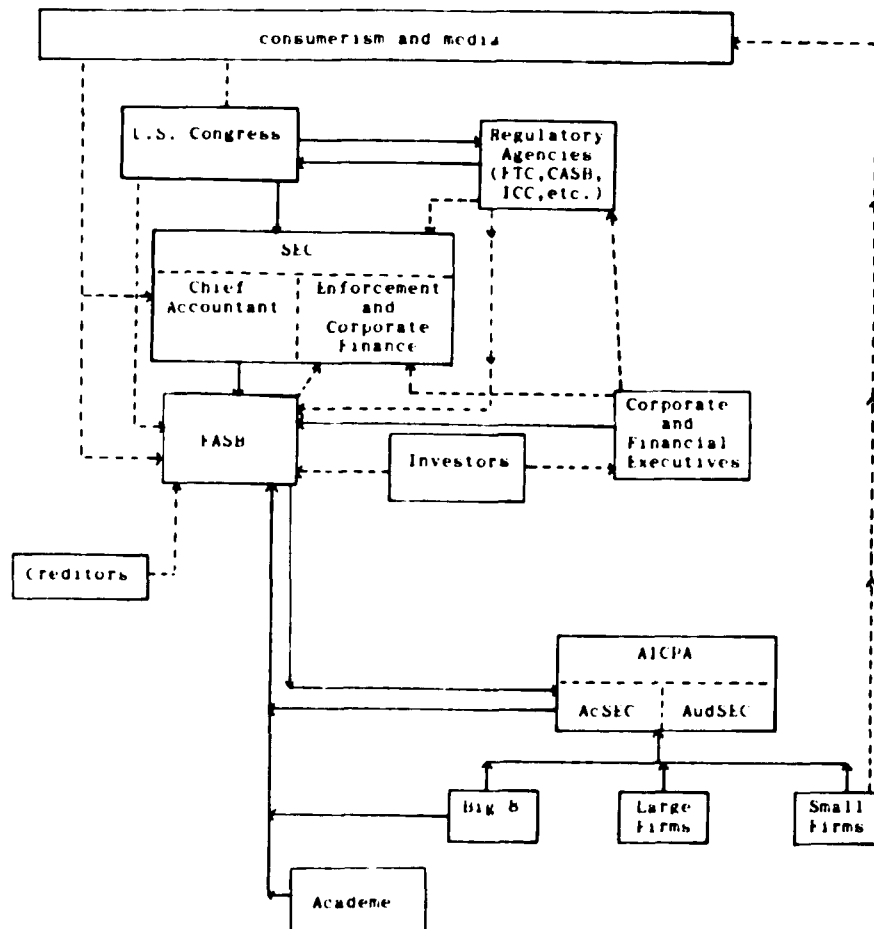


Figure 7-2. The present accounting establishment

From the schematic presentation the AICPA's role as a strong professional organization has been compromised. In addition, during this restructuring of the accounting establishment, the AICPA's inability to deal with problems on a political level became apparent. The

*Adapted from the writings of Lee Seidler (1979, p.43).

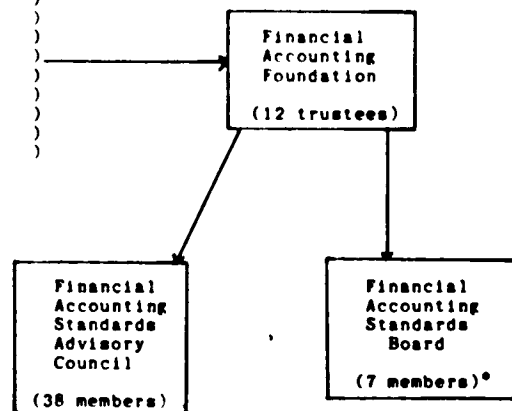
AICPA was not able to provide the leadership required to maintain its then existing level of autonomy. Having learned from its experience, the AICPA has become more politically astute and has directed some of its efforts to mitigate adverse legislation that could affect the accounting profession. For example, the AICPA was instrumental in amending the wording of the Foreign Corrupt Practices Act of 1977 to conform to the AICPA's position.

Another perspective of autonomy which must be explored relates to the perceptions that the business community has of the FASB as an independent standard setting body. Does the business community actually perceive the FASB as an entity separate from the accounting profession or do they view FASB as part of the accounting profession? Separation as to form of organization does not necessarily indicate perceived separate entities as to substance. A related issue involves the perceived relationship between the AICPA and its members with the FASB. Despite attempts to make FASB a separate entity, one does not know how accountants regard FASB. Do they view FASB as part of their rule-making body or do they view FASB as a distinct organiza-

tion in relation to which they perceive themselves to have very little control? To amplify this point, an analysis of the structure of the FASB and its supporting organizations is presented below.

Sponsoring Organizations

AICPA (5 nominees))
 AAA (1 nominee))
 FAF (1 nominee))
 FEI (1 nominee))
 NAA (1 nominee))
 SIA (1 nominee))
 Banking industry-)
 (1 nominee))
 Open--one trustee)
 at large)



*Current board is comprised of the following:

- 1 from academe
- 3 from public accounting practice
- 1 from government (also CPA)
- 2 from business community(executives)

Figure 7-3. Structure of the Financial Accounting Standards Board

Figure 7-3 indicates the background of the board of trustees for the FAF. At the present time there are 11 trustees (the 12th position has never been filled). Five of these trustees are nominated by the AICPA. This is significant because the trustees are responsible for appointing the members of the FASB and FASAC. They are also responsible for securing adequate financing and approving the financial budget for the FASB. They do not have the authority to establish accounting standards. At one time, the AICPA had the power to veto an appointment to the FASB but that authority was rescinded in 1977 to make the FASB more independent.

The Financial Accounting Standards Advisory Council (FASAC) has 38 members who represent a broad group of preparers and users of financial data. The appointments are for a one year duration. The Council recommends and acts as a liaison for the FASB as to project priorities, technical issues on the FASB's agenda, policy questions, potential issues that may require the attention of the FASB, appoint and/or organize various task forces as the need arises and assist in matters that arise based on the requests of its own chairman or that of the FASB.

While membership on the FASB requires a knowledge of financial matters, it does not require that its members be CPAs. An analysis of the present Board members indicate that three of its members are in public accounting practice while the fourth who is also a CPA is employed in the government sector. Others members are from academe and the financial community. At the present time a simple majority is required to approve a new accounting standard. Thus while the FASB and the FAF are independent in structure, there is some question as to their independence in substance because of the number of CPAs in each organization. As previously noted, it is not clear how CPAs and other regard the FASB. Is the FASB regarded as part of the accounting profession or is it viewed as a totally separate entity? One also does not know if CPAs and other member of the business community share the same perceptions of the FASB's autonomy. This research study does not provide the answers to these questions but they indicate areas where there is need or future research.

Still another area of autonomy that must be explored deals with the role of the SEC. Despite its Accounting Series Release No. 150, recognizing the FASB as the

official standard setting body, the SEC has taken an active role in establishing accounting standards. For example, the SEC exerted pressure on the FASB for a quick statement on segmented reporting. The SEC was also directly responsible for the withdrawal of FASB No. 19--Financial Accounting and Reporting by Oil and Gas Producing Companies. The SEC has also become directly involved in establishing reporting requirements through its Integration project. By integrating the reporting requirements of the Form 10-K with the annual report to stockholders, the SEC is making reporting requirements that go beyond the requirements of generally accepted accounting principles. Despite the SEC's reaffirmation of the FASB as the accounting standard setting body, there is some concern and question in the accounting community whether or not this undermines the authority of the FASB.

Chairman Donald Kirk of FASB has expressed some concern as to the public's confidence in the FASB with the present direction of SEC activity. The threat of the SEC to the accountants' autonomy is real. For example, question No. 36 of the Occupational Perception Questionnaire attempts to determine if a "legislated body" (government established organization) has

compromised the autonomy of the occupations surveyed. For the CPA, the question would refer to the SEC as the legislated body and its impact on the accounting profession.

A detailed analysis of this question (Table 7-1) indicates that CPAs as an occupational group perceive themselves to be more affected by governmental agencies than the classical occupations. These results indicate that CPAs are cognizant of the effect that such legislated bodies as the SEC, FTC and the IRS have on their accounting standard setting function. This question can also be an indication of how CPAs, through the AICPA and FASB, view the direct pressure of the SEC's intervention in the accounting standard setting function. Table 7-2 indicates that while the other respondent groups recognized the strong influence of a "legislated body" on the accounting profession it was not to the same degree as expressed by the CPAs.

At the present time, it is not clear if the answers to question no. 36 have been affected and to what extent by perceptions of the FASB as a truly separate organization from the AICPA and the accounting profession. This issue becomes critical due to the fact that the

SEC's active role has been directed at the FASB as opposed to the AICPA. This perhaps is an indication that CPAs do consider the FASB as part of the accounting profession whereas, the business community has a different perspective. Question no. 36 is but one illustration of the whole concept of autonomy where CPAs are perceived to lack the control over the nature and content of their work.

TABLE 7-1

CERTIFIED PUBLIC ACCOUNTANTS RESPONSES ON WHICH OCCUPATIONS WERE
NOT AFFECTED BY A LEGISLATED AUTHORITY

Occupational Group	Mean	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	1.2918 1.8455	-.5536	2.980	.144	-3.84*
CPA/Law	1.2918 1.5365	-.2446		.144	-1.70
CPA/University teaching	1.2918 1.7425	-.4506	4.295	.144	-3.13*
CPA/Ministry	1.2918 2.1030	-.8112	4.661	.144	-5.63*

*p < .01

TABLE 7-2

A COMPARISON OF SAMPLE RESPONDENT GROUPS ON WHICH OCCUPATIONS WERE
NOT AFFECTED BY A LEGISLATED AUTHORITY

Occupational Group	Bankers (n=214)					Attorneys (n=120)				
	Mean	Difference Mean	Standard Deviation	Standard Error	t value	Mean	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	1.4860 1.8551	-.3692	2.980	.115	-3.21*	1.2833 1.6917	-.4083	3.274	.170	-2.40**
CPA/Law	1.4860 1.4159	.0701	2.724	.115	.60	1.2833 1.4167	-.1333	3.589	.170	-.78
CPA/University teaching	1.4860 1.8972	-.4112	4.295	.115	-3.58*	1.2833 1.1917	-.4083	4.287	.170	-2.40**
CPA/Ministry	1.4860 2.1776	-.6916	4.661	.115	-6.01*	1.2833 1.9333	-.6500	4.479	.170	-3.82*
*p < .01						*p < .01 **p < .05				
	Financial Executives (n=146)					Financial Analysts (n=104)				
	Mean	Difference Mean	Standard Deviation	Standard Error	t value	Mean	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	1.2192 1.6301	-.4110	3.041	.145	-2.83*	1.4423 1.6731	-.2308	4.424	.176	-1.31
CPA/Law	1.2192 1.3356	-.1164	3.527	.145	-.80	1.4423 1.4231	.0192	3.805	.176	-.11
CPA/University teaching	1.2192 1.6644	-.4452	4.889	.145	-3.07*	1.4423 1.6346	-.1923	6.974	.176	-1.09
CPA/Ministry	1.2192 2.1164	-.8973	5.330	.145	-6.19*	1.4423 1.9327	-.4904	6.523	.176	-2.79**
* p < .01						** p < .05				

The brief historical summary raises the question of whether or not CPAs will ever achieve the autonomy needed to attain professional status. Based on the current evidence and the SEC's role in the standard setting function, there is doubt. This doubt is further fueled by looking at the changing work force of the public accounting profession. A summary of the changing work force (Table 7-3) indicates that while the actual number of AICPA members increased, the percentage that remained in public practice decreased. Is this not another form of diminished autonomy? By accepting employment in a private corporate structure, the CPA accepts the parameters of the position that has been established by his employer. He has relinquished some of his own judgment and expertise to that of his employer. In reviewing this trend, one can look at public accounting and note the parallelism of the accounting profession to the engineering profession

In many ways, the CPA's occupational role is analagous to that of the engineer whose primary work environment resides within the private corporate structure. A

TABLE 7-3

OCCUPATIONS OF AICPA MEMBERSHIPS*

	<u>1981</u>	<u>1980</u>	<u>1979</u>	<u>1978</u>	<u>1977</u>	<u>1976</u>	<u>1975</u>	<u>1974</u>
Total	173,900	161,318	149,314	140,158	131,300	121,947	112,494	103,863
Public accounting	53.5%	54.1%	55.0%	57.6%	57.5%	58.5%	59.1%	60.0%
Business, industry, miscellaneous	40.4%	39.7%	38.6%	36.2%	36.2%	35.2%	34.1%	33.6%
Education	2.8%	2.9%	3.0%	2.8%	2.8%	2.9%	2.9%	3.0%
Government	3.3%	3.3%	3.4%	3.4%	3.5%	3.4%	3.4%	3.4%

Source: AICPA annual reports

majority of the engineers have accepted employment in the corporate sector where they are assigned a particular project that they are responsible for. While the responsibility for the project resides with the engineer, management retains autonomy as to the ultimate completion and disposition of the project.

Engineers as an occupational group have experienced fragmentation due to the highly specialized areas of expertise that have evolved. Consequently, their professional societies have become fragmented and less effective in controlling the nature of their occupation and those who may practice in their occupation. Looking at the history of the engineers and their present occupational status, it appears that at one time engineers were highly regarded as professionals. Whereas, at the present time their professional status is not assured because of relinquished autonomy. In comparing the engineers and the CPAs, there are certain similarities that are emerging and perhaps are another indication of the future of the accounting profession.

First, the educational requirements of both occupations permit entry after a baccalaureate degree. This

is contrary to the professions of medicine and law where post-graduate work is required. While it is recognized that the AICPA has commissioned a study on the requirements of 150 credit hours of course work for entry to the accounting profession, the individual state boards of accountancy that license the CPA have not uniformly mandated such requirements nor have they expressed a direct interest in establishing those requirements.

Second, the previously noted direction of employment for the CPA is similar to that of the engineer. Both are becoming employees of large corporate structures where decisions are made for them. Third, the fragmentation of the AICPA into different membership groups based on type of practice is similar to the fragmentation of the engineers' professional societies (civil, mechanical, electrical, etc.). Based on these comparisons it appears that the CPA will not achieve autonomy and that he will be part of a highly specialized vocational group that has technical expertise but no professional status. However, there is one significant difference between the CPAs and the engineers and that is they have become more politically astute. CPAs

have taken a politically active role through the AICPA and the various state societies of certified public accountants. This political involvement will have to be monitored to see how effective CPAs are in persuading the various governmental groups, the business community and the public that they are able to formulate effective accounting and reporting standards. It is interesting to note that the CPAs' political activity is starting to resemble that of the professions of medicine and law. It should be clear that without achieving autonomy CPAs will not be perceived as professionals.

Limitations of Research

The limitations of this research are threefold. First, the sampling technique used for the attorneys does not permit generalization of the results to all attorneys. Since there is no directory which lists attorneys by area of specialization, it was possible to omit attorneys who specialize in securities law practice and who were not members of the various committees for the Federal Regulation of Securities. A possible solution to this limitation would be to include a random sampling of all attorneys with the understanding that

the rate of return might be disappointingly low because of the lack of familiarity with CPAs and their work. Further, the cost of increasing the sample size might become prohibitive. The alternative solution is to wait for a directory to be developed which would indicate attorneys by area of specialization. This latter approach is also questionable because of the feasibility of such a directory being produced in the near future appears remote.

Second, the results of this research project are based on selected groups within the business community. It would be interesting to determine if the results would be the same if a replication of this research was directed to the general public.

Third, the results are based on the assumption that the parties contacted in this research design (except for the bankers where the president had the authority to designate an appropriate individual) are the same individuals who answered the questionnaire. As with all survey research of this magnitude this is a persistent problem.

Recommendations for Future Research

From the empirical results and analyses the implications of the results on the accounting profession, several areas of proposed research become evident.

Within the context of autonomy, the perceptions of FASB as an independent organization have not been clearly recorded. In structural form, the FASB is a separate body but one is not sure as to how the FASB is actually perceived by the CPAs and the business community. If the FASB is viewed as a separate entity from the accounting profession then autonomy was lost in 1973 with its creation. Further, the probability of regaining autonomy appears negligible. If the FASB is perceived as a separate and distinct part of the accounting profession, then the influence of the SEC on FASB becomes a central issue. This study indicates the negative influence of the SEC on the accounting profession, but its impact on the FASB or the AICPA as two distinct groups has not been measured.

Another related area that warrants further research is the AICPA's ability to maintain its image of a strong

professional organization in light of the minimized role of the accounting standards executive committee (AcSEC). If the AICPA is perceived to be weak then another aspect of autonomy will have eroded.

Research may also be directed toward measuring the increased political activity of the AICPA and the various state societies to evaluate the benefits derived from such activity and to determine if the results warrant the use of limited resources. Specifically, the research can be directed at determining the effectiveness of the AICPA in limiting the active role of the SEC and/or minimizing the pressure from Congress in the formulation of accounting and reporting standards. If political activity is successful, it might suggest that the SEC's role be minimized by appropriately indicating to relevant individuals and groups that the accounting profession is able to effectively handle accounting and reporting problems as they occur. While it is recognized that political activity is a sensitive area, it still warrants exploration to provide the necessary feedback in order to evaluate the appropriateness and effectiveness of such political activity.

To the accounting profession, the achievement of perceived autonomy is crucial for recognition as a profession by relevant groups. The accounting profession must be able to provide the perception that it is willing and competent to effectively formulate and regulate accounting policy taking into account the various needs and demands of investors, the business community and various governmental agencies that regulate our economy. The CPAs must be able to recognize the significance of communicating that its services are essential and that they are the ones best able to formulate the necessary guidelines. Unfortunately, as this research project indicated there are discrepancies between the level of professional attributes accorded the CPA and the level the CPA ascribes to himself. While the CPA recognizes that there is a lack of autonomy, he does not appear to understand or is not willing to understand what impact this has on professional status. Effort must be directed in determining an effective means of communicating the problems that are confronting the accountant.

Accountants need to understand the significance of the loss of autonomy to the accounting profession and

to learn how effectively to direct their efforts to regain autonomy. CPAs have to be aware that without autonomy the professional status they claim will not be attained. Without this awareness, the CPAs will not be able to sustain the progress of accounting as a profession.

APPENDIX A

The following tables relate the occupations of medicine, law, university teaching and ministry to the professional attributes of an esoteric body of knowledge, the ideal of service, the code of ethics and autonomy. These occupational groups and professional attributes were the bases for the development of the Occupational Perception Questionnaire used in this research project.

Table A-1
PROFESSIONAL DIMENSIONS
ESOTERIC BODY OF KNOWLEDGE

	<u>Medicine</u>	<u>Law</u>	<u>University teaching</u>	<u>Ministry</u>
1. Knowledge and skills are abstract and esoteric in nature.....X	X	X	X	X
2. Knowledge is codified into a body of principles.....X	X	X	X	X
3. A special body of knowledge is viewed as essential for solution of problems.....X	X	X	X	X
4. Society views that "experts" are needed to apply the special body of knowledge.....X	X	X	X	X
5. A lengthy education and training process is considered necessary to acquire this special body of knowledge.				
A. At minimum, a baccalaureate degree or equivalency is required.....X	X	X	X	X
B. An internship or apprenticeship is required in order to obtain a license to practice.....X	X			X
C. The amount of knowledge required to practice in this occupation is such that it cannot be self-taught with the required self-proficiency that is required to practice in this field.....X	X	X	X	X

Table A-1
PROFESSIONAL DIMENSIONS
ESOTERIC BODY OF KNOWLEDGE

	<u>Medicine</u>	<u>Law</u>	<u>University teaching</u>	<u>Ministry</u>
6. The professions fosters research as a means of developing a knowledge base.....X			X	
7. While there is an approach to standardize solutions to problems, the professional's role requires the exercise of judgment in arriving at solutions to client problems.....X		X	X	X
8. The final judgment of appropriate application of professional expertise resides with others in the specified profession.....X		X	X	X

Table A-2
PROFESSIONAL DIMENSIONS
THE SERVICE IDEAL

	<u>Medicine</u>	<u>Law</u>	<u>University teaching</u>	<u>Ministry</u>
1. The individual feels a deep commitment to the occupation.....X		X	X	X
A. It is a full-time employment X		X	X	X
B. The main reward of the job is the job itself.....X		X	X	X
C. There is a response to an "inner calling" for the advancement of social progress.....X		X	X	X
2. The practitioner is the individual who decides what the client's needs are.....X		X	X	X
3. The practitioner provides services based on client needs. Monetary rewards are not motivating or determining factors.....X		X	X	X
4. The practitioner is expected to make personal sacrifices.				
A. Defer economic benefits because of long.....X educational and training period.....X		X X		X X
B. Defend causes that are not publicly popular.....X		X	X	X
C. Develop and introduce new knowledge even at the cost of making some peers obsolete.....X		X	X	
D. Enhance the recruitment of qualified personnel even though competition is increased in the occupation.....X		X	X	X
5. The general public believes that the occupation has accepted the concept of "service" to the public.....X		X	X	X

Table A-2
PROFESSIONAL DIMENSIONS
THE SERVICE IDEAL

	<u>Medicine</u>	<u>Law</u>	<u>University teaching</u>	<u>Ministry</u>
6. This occupational community has set up a system of sanctions against those who do not live up to the ideal of service. Likewise, it has set up a system of rewards for those who do live up to the ideal. The mechanism for the reward and sanction system resides within the professional association.....X		X		
7. Membership in professional associations is required to derive benefits from the profession.....X		X		

Table A-3
PROFESSIONAL DIMENSIONS
CODE OF PROFESSIONAL ETHICS

	<u>Medicine</u>	<u>Law</u>	<u>University teaching</u>	<u>Ministry</u>
1. Developed by the profession to govern relations with clients, colleagues and other external organizations.....X		X		
2. Membership in professional association requires adherence to the code.....X		X		
3. There is public belief that the profession will enforce its code to protect the public.....X		X		
4. Privileged communication between client and the professional exists.....X		X	X	X
5. Unwritten rules of behavior exists to insure harmonious relationship among the members of the profession.....X		X	X	X

Table A-1
PROFESSIONAL DIMENSIONS
AUTONOMY

	<u>Medicine</u>	<u>Law</u>	<u>University teaching</u>	<u>Ministry</u>
1. The public believes that the professional "knows best" because of the esoteric knowledge base.....X		X	X	X
2. The public believes that the professional should discipline errant behavior on part of the practitioner.....X		X	X	X
3. The license to practice in a specific occupation is granted to specific individuals. Thereby, limiting the number of practitioners.....X		X		
4. Educational requirements and minimum training levels are specified by the governing professional association.....X		X		X
5. Economic benefits of the practitioners are determined by the occupational group.....X		X		
6. The general public believes that this occupational group needs autonomy in order for it to fulfill its role to society.....X		X	X	X
7. The practitioner of this occupation does not report to superiors who are lay people. The content of their work is determined by the practitioner rather than an administrator.....X		X	X	X
8. The practitioner of this occupation is independent of his client.				
A. Financially.....X		X		X
B. Emotionally.....X		X	X	X

APPENDIX B

THE DUNNETTE TEST FOR MULTIPLE COMPARISONS

The analysis of the mean scale values in Chapter V were accomplished by using a normal T-test which is based on the assumption that means values were calculated from two independent samples. Based on the research design used in this project, this requirement has not been satisfied because the recorded values for each occupational group are not independent. Each of the tests used the same information as the control (CPA mean values) and a common estimate of experimental error.

Dunnette devised a statistical test which provides a means of handling multiple comparisons. Under this method the $\bar{t}$ statistic for the difference between method j and the control method is:

$$\bar{t} = \frac{M_1 - M_2}{\sqrt{MS_w (1/n_1 + 1/n_2)}}$$

where $\underline{df} = N-K$

K = number of treatments (including control)

To implement Dunnette's test and avoid possible spurious results the largest standard error for each professional dimension was used to calculate a more conservative t value. Using Dunnette's one-tail table a critical value was obtained for each of the respondent groups. Tables B-1 through B-4 reflect this analysis.

The application of the Dunnette T-test to the mean differences alters some of the t values originally deemed significant at the .05 level. However, the conclusions with respect to the original hypotheses do not change because while the original differences were no longer significant they were at least perceived to be the same. To illustrate, the original hypotheses were formulated to indicate that the CPA was perceived to have some professional attribute that is "equivalent to or greater than" that of other relevant occupational group. The application of the Dunnette T-test indicates that the CPA perceives himself to have the same body of knowledge and a code of ethics that is as effective as that of the attorney as opposed to the previous statement where the CPA perceived himself to have a greater esoteric body of knowledge and a more effective code of ethics than the attorney. Conse-

quently, while the actual t values have changed from being significant to non-significant, the conclusions reached with respect to the original hypotheses are still appropriate.

TABLE B-1

A COMPARISON OF THE CERTIFIED PUBLIC ACCOUNTANTS' PERCEPTIONS OF THEIR
PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	19.3421 20.7525	-1.4105	2.980	.338	-4.17*	16.9684 19.6421	-2.6737	3.274	.325	-8.23*
CPA/Law	19.3421 18.9158	.4263	2.724	.338	1.26	16.9684 16.1368	.8316	3.589	.325	2.56**
CPA/University teaching	19.3421 17.4105	1.9316	4.295	.338	5.17*	16.9684 18.0474	-1.0789	4.287	.325	-3.32*
CPA/Ministry	19.3421 15.1737	4.1684	4.661	.338	12.33*	16.9684 21.4895	-4.5211	4.479	.325	-13.91*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	17.9211 18.0947	-.1737	3.041	.387	-.45	25.2789 29.4526	-4.1737	4.424	.506	-8.25*
CPA/Law	17.9211 17.2053	.7158	3.527	.387	1.85	25.2789 26.6474	-1.3684	3.805	.506	-2.70**
CPA/University teaching	17.9211 11.0053	6.9158	4.889	.387	17.87*	25.2789 22.3579	2.9211	6.974	.506	5.77*
CPA/Ministry	17.9211 14.5632	3.3579	5.330	.387	8.68*	25.2789 20.7158	4.5632	6.523	.506	9.02*

* $p < .01$ ** $p < .05$ (a) $n = 190$

TABLE B-2

A COMPARISON OF THE BANKERS' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS' PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	17.1613 20.2452	-3.0839	3.293	.390	-7.91*	14.2258 19.5490	-5.3161	3.978	.364	-14.60*
CPA/Law	17.1613 18.2968	-1.1355	2.819	.390	-2.91*	14.2258 16.5630	-2.3355	2.913	.364	-6.42*
CPA/University teaching	17.1613 16.5677	.5935	3.682	.390	1.52	14.2258 18.3419	-4.1161	3.979	.364	-11.31*
CPA/Ministry	17.1613 14.6387	2.5226	4.851	.390	6.47*	14.2258 21.5806	-7.3548	4.535	.364	-20.19*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	16.2387 18.1290	-1.8903	3.697	.435	-4.35*	24.1290 28.4774	-4.3484	4.274	.484	-8.98*
CPA/Law	16.2387 17.1419	-.9032	3.047	.435	-2.08*	24.1290 25.7290	-1.6000	3.380	.484	-3.31*
CPA/University teaching	16.2387 11.2710	4.9677	4.631	.435	11.42*	24.1290 21.8129	2.3161	5.462	.484	4.79*
CPA/Ministry	16.2387 15.7548	.4839	5.411	.435	1.11	24.1290 20.0839	4.0452	6.027	.484	8.36*

* $p < .01$ * $p < .05$ (a) $n = 155$

TABLE B-3

A COMPARISON OF THE ATTORNEYS' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS'
PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	18.4375 21.2321	-2.7946	2.910	.489	-5.71*	13.1948 17.5195	-4.3247	3.683	.567	-7.63*
CPA/Law	18.4375 19.9286	-1.4911	3.323	.489	-3.05*	13.1948 17.5974	-4.4026	3.728	.567	-7.76*
CPA/University teaching	18.4375 17.5179	.9196	4.067	.489	1.88	13.1948 18.3636	-5.1688	4.658	.567	-9.12*
CPA/Ministry	18.4375 14.2232	4.2143	5.177	.489	8.62*	13.1948 20.1429	-6.9481	4.979	.567	-12.25*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	13.1818 14.8571	-1.6753	2.536	.726	-2.31**	22.9221 29.2987	-6.3766	4.392	.866	-7.36*
CPA/Law	13.1818 16.4026	-3.2208	2.854	.726	-4.44*	22.9221 25.2598	-2.3377	3.878	.866	-2.70**
CPA/University teaching	13.1818 9.1948	3.9870	4.857	.726	5.49*	22.9221 21.7143	1.2078	7.232	.866	1.39
CPA/Ministry	13.1818 13.3377	-.1558	6.374	.726	-.021	22.9221 21.0519	1.8701	7.599	.866	2.16

* $p < .01$ ** $p < .05$ (a) $n = 77$

TABLE B-4

A COMPARISON OF THE FINANCIAL EXECUTIVES' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS' PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	18.5841 20.5541	-1.9735	2.630	.402	-4.91*	15.6106 19.7788	-4.1681	3.401	.396	-10.53*
CPA/Law	18.5841 18.2479	.3363	3.028	.402	.84	15.6106 16.0796	-.4690	3.368	.396	-1.18
CPA/University teaching	18.5841 17.2920	1.2920	3.914	.402	3.21**	15.6106 18.2920	-2.6814	3.738	.396	-6.77*
CPA/Ministry	18.5841 14.5929	3.9912	4.275	.402	9.92*	15.6106 21.5841	-5.9735	4.210	.396	-15.08*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	17.5487 18.5929	-1.0442	3.124	.501	-2.08	24.5664 29.0973	-4.5310	4.194	.616	-7.36*
CPA/Law	17.5487 17.5133	.0354	3.343	.501	.070	24.5664 26.2743	-1.7080	3.049	.616	-2.77*
CPA/University teaching	17.5487 10.8230	6.7257	4.785	.501	13.42*	24.5664 21.7875	2.7788	5.922	.616	4.51*
CPA/Ministry	17.5487 15.4690	2.0796	5.327	.501	4.15*	24.5664 19.7699	4.7965	6.544	.616	7.79*

* $p < .01$ ** $p < .05$ (a) $n = 113$

TABLE B-5

A COMPARISON OF THE CHARTERED FINANCIAL ANALYSTS' PERCEPTIONS OF THE CERTIFIED PUBLIC ACCOUNTANTS' PROFESSIONAL ATTRIBUTES TO OTHER SELECTED OCCUPATIONS

Occupational Group	Esoteric Body of Knowledge					Ideal of Service				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	16.9859 20.2535	-3.2676	3.452	.622	-5.25*	13.6479 18.1268	-4.4789	4.532	.593	-7.55*
CPA/Law	16.9859 17.8169	-.8310	3.047	.622	-1.34	13.6479 15.0485	-1.4366	4.031	.593	-2.42**
CPA/University teaching	16.9859 17.1549	-.1690	4.299	.622	-.27	13.6479 18.8873	-5.2394	4.234	.593	-8.84*
CPA/Ministry	16.9859 13.6338	3.3521	5.243	.622	5.39*	13.6479 21.9718	-8.3239	4.994	.593	-14.05*
	Ethics					Autonomy				
	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value	Mean (a)	Difference Mean	Standard Deviation	Standard Error	t value
CPA/Medicine	16.1972 16.8732	-.6761	3.405	.663	-1.02	23.8732 29.3099	-5.4366	4.170	.787	-6.91*
CPA/Law	16.1972 15.9718	.2254	3.765	.663	.34	23.8732 26.0141	-2.1408	3.870	.787	-2.72*
CPA/University teaching	16.1972 11.7183	4.4789	4.945	.663	6.76*	23.8732 21.7042	2.1690	5.957	.787	2.76**
CPA/Ministry	16.1972 15.3944	.8028	5.587	.663	1.21	28.8732 19.5915	4.2817	6.634	.787	5.44*

* $p < .01$ ** $p < .05$ (a) $n = 71$

EXHIBIT I

OCCUPATIONAL PERCEPTION QUESTIONNAIRE

PART A

As a respondent to this questionnaire, please answer the following questions about yourself by placing a response or check mark in the appropriate space.

1. Are you?

- | | |
|---|---|
| ☐ 1. A financial executive with a CPA certificate | ☐ 5. An attorney |
| ☐ 2. A financial executive without a CPA certificate | ☐ 6. A CPA |
| ☐ 3. A financial analyst | ☐ 7. Other _____ |
| ☐ 4. A banker | |

2. What is your job title? _____

3. What is your total years of paid experience? _____

4. How many years of experience in your present occupation?

- | | | |
|---|--|---|
| ☐ 0-5 years
1 | ☐ 6-10 years
2 | ☐ over 10 years
3 |
|---|--|---|

5. Your age is?

- | | | | | |
|--|---|---|---|---------------------------------------|
| ☐ under 30
1 | ☐ 30-35 years
2 | ☐ 36-40 years
3 | ☐ 41-50 years
4 | ☐ over 50
5 |
|--|---|---|---|---------------------------------------|

6. What is your highest level of education

- | | |
|--|--|
| ☐ 1. Graduated from high school | ☐ 4. Attained a graduate degree |
| ☐ 2. Completed some undergraduate college courses | ☐ 5. Completed some post-graduate courses |
| ☐ 3. Graduated from a four year college or university | |

PART B

7. Below are pairs of occupational groups. Would you please decide how similar you perceive each of these two occupational groups to be in the degree of professionalism? Make this judgment of similarity on whatever basis you wish to use and as you yourself understand and define professionalism. There are no right or wrong answers.

Please use a scale of 1 to 7 where (1) indicates that they are not at all similar in the degree of professionalism as perceived by you and (7) indicates you feel that the occupations are almost identical as a profession.

REMEMBER: The *LARGER* the number chosen, the *MORE SIMILAR YOU PERCEIVE THE TWO OCCUPATIONS ARE* in terms of professionalism.

- | | | |
|--------------------------------------|---|-----------------------------------|
| ___ physician / CPA | ___ ideal professional / CPA | ___ attorney / ideal professional |
| ___ university prof. / physician | ___ ideal professional / university prof. | ___ engineer / physician |
| ___ university prof. / CPA | ___ ideal professional / clergy, rabbi | ___ engineer / CPA |
| ___ clergy, rabbi / physician | ___ attorney / physician | ___ engineer / university prof. |
| ___ clergy, rabbi / CPA | ___ attorney / CPA | ___ engineer / clergy, rabbi |
| ___ clergy, rabbi / university prof. | ___ attorney / university prof. | ___ engineer / ideal professional |
| ___ ideal professional / physician | ___ attorney / clergy, rabbi | ___ engineer / attorney |

8. Below you will find a list of occupations previously listed. Please rank them in order of degree of professionalism you perceive them to have. Please give the rank of 1 to the occupation you believe *most clearly* reflects the characteristics of a profession. Then, give the rank of 2 to the occupation which you feel reflects next most clearly the characteristics of a profession and continue until you have assigned a rank to all six occupations. The occupation you feel to be the *least* professional should receive a rank of 6. Please, do not use tie rankings.

- | | | |
|---------------|--------------------------|--------------|
| ___ physician | ___ university professor | ___ attorney |
| ___ CPA | ___ clergy / rabbi | ___ engineer |

The following statements refer to specific attributes of certain occupations. Please read the statements and indicate in the space provided *your* perceptions of how strongly the statement applies to each of the occupations listed. Values of 1 to 5 should be used to indicate your perceived relationship where:

1 = strongly applies 2 = applies 3 = neutral 4 = inapplicable 5 = strongly inapplicable

Please make sure to enter the value you think appropriate on the line next to each occupation for each question. Just work as rapidly as you can

9. This occupation requires a technical body of knowledge that can only be obtained through a prolonged period of education.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

10. This occupation's technical body of knowledge is based on a theoretical framework.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

11. This occupation promotes and/or encourages research to increase the theoretical body of knowledge.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

12. The theoretical and technical knowledge is essential in performing the designated duties of this occupation.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

13. The technical body of knowledge acquired by the practitioner of this occupation enables him to be considered as an expert in his field.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

14. In this occupation, the client feels deterred from questioning the practitioner's judgement because of attributed expertise in a specialized body of knowledge.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

15. This occupation requires a full time commitment from its members.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

16. Members of this occupational group are motivated by a commitment to social progress.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

17. The main reward from this occupation is personal satisfaction that results from the very nature of the work.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

18. The practitioner of this occupation provides services to clients based solely on their needs.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

19. The practitioner of this occupation will provide the necessary services to his clients regardless of their ability to pay.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

20. Based on his perception of what is right and wrong, the practitioner of this occupation will speak out on issues of public concern without regard to possible public disapproval.

___ CPA ___ Medicine ___ Law ___ University teaching ___ Ministry

The following statements refer to specific attributes of certain occupations. Please read the statements and indicate in the space provided *your* perceptions of how strongly the statement applies to each of the occupations listed. Values of 1 to 5 should be used to indicate your perceived relationship where:

1 = strongly applies 2 = applies 3 = neutral 4 = inapplicable 5 = strongly inapplicable

Please make sure to enter the value you think appropriate on the line next to each occupation for each question. Just work as rapidly as you can.

21. At the cost of making peers obsolete, this occupational group will continue to develop and introduce new knowledge.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

22. This occupation's governing association is concerned with the welfare of society before the welfare of its members.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

23. This occupation's governing association has a code of ethics that defines appropriate behavior patterns for relationships with clients, colleagues and others.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

24. There is a belief that this occupation's governing association will enforce the code of ethics for the protection of the public.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

25. This occupation's code of ethics is an effective means of protecting the public from unscrupulous practitioners.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

26. The practitioner's membership in his occupational governing associations is dependent on adherence to the association's code of ethics.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

27. This occupation's code of ethics provides for privileged communication between the practitioners and his clients.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

28. This occupation's governing association is able to prescribe minimal educational requirements at institutions of higher learning.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

29. This occupational group is able to define and determine the content and methodology of doing its work with minimal interference from the public.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

30. In this occupation, only peers are able to pass judgement on the appropriateness and/or quality of work of another practitioner.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

31. In complex organizations, the administration is not able to define and control the specific method of doing practitioners work.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

The following statements refer to specific attributes of certain occupations. Please read the statements and indicate in the space provided *your* perceptions of how strongly the statement applies to each of the occupations listed. Values of 1 to 5 should be used to indicate your perceived relationship where:

1 = strongly applies 2 = applies 3 = neutral 4 = inapplicable 5 = strongly inapplicable

Please make sure to enter the value you think appropriate on the line next to each occupation for each question. Just work as rapidly as you can.

32. Practitioners of this occupation are financially independent of their clients.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

33. Practitioners of this occupation are able to control the supply of new practitioners in their occupation, thereby, controlling their economic well being.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

34. Practitioners of this occupation have been successful in lobbying for legislation favorable to their occupation.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

35. Practitioners of this occupation have been able to control the policy of the state licensing boards through their occupational governing association.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

36. This occupation is not affected by a legislated authority that prescribes an appropriate course of action. The final authority, based on expert knowledge, lies with the practitioners.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

37. The practitioner of this occupation does not alter his decisions because of client pressure.

____ CPA ____ Medicine ____ Law ____ University teaching ____ Ministry

PART C

In my opinion, the main attributes that make an occupation a profession are:

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Once again, thank you for your help and co-operation in completing this questionnaire.

**Baruch
College**
The City
University of
New York
17 Lexington
Avenue
New York
N.Y. 10010



235.

EXHIBIT II

April 13, 1981

Dear Mr.

As a final requirement for my doctoral studies in accounting, I am conducting a research project to determine the relative occupational status of several groups including doctors, lawyers, CPAs, clergy and university professors.

Your perceptions, as a certified public accountant, are significant to the success of this research because your perceptions of occupational status will be compared with the perceptions of others (financial executives, financial analysts, bankers and attorneys) who deal with the CPA and their work products.

I would greatly appreciate your taking the time to record your perceptions of the CPA and other selected occupational groups in the enclosed brief questionnaire. It will take approximately 20 minutes to complete. A business reply envelope has been enclosed for your convenience.

Your answers will be kept confidential and used only in combination with those of other CPAs to get a composite picture. Upon your request, the results of this research will be made available to you.

Thank you for your help and cooperation.

Very truly yours,

Irene K. Douma

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—
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University of
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—
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N.Y. 10010
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236.

EXHIBIT III

February 9, 1981

Dear Mr.

As a final requirement for my doctoral studies in accounting, I am conducting a research project to determine the relative occupational status of several groups including doctors, lawyers, CPAs, clergy and university professors.

Your perceptions, as a banker, are significant to the success of this research because of your experience in dealing with CPAs and their work products.

Mr. , I would greatly appreciate your taking the time to record your perceptions of the CPA and other selected occupational groups in the enclosed brief questionnaire. However, if you think that the Senior Lending Officer is the appropriate person to complete this questionnaire, would you please forward it to him? It will take approximately 20 minutes to complete the questionnaire. A business reply envelope has been enclosed for your convenience.

Your answers will be kept confidential and used only in combination with those of other bankers to get a composite picture. Upon your request, the results of this research will be made available to you.

Thank you for your help and cooperation.

Very truly yours,

Irene K. Douma

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New York
N.Y. 10010



237.

EXHIBIT IV

February 2, 1981

Dear Mr.

As a final requirement for my doctoral studies in accounting, I am conducting a research project to determine the relative occupational status of several groups including doctors, lawyers, CPAs, clergy and university professors.

Your perceptions, as an attorney, are significant to the success of this research because of your experience in dealing with CPAs and their work products.

I would greatly appreciate your taking the time to record your perceptions of the CPA and other selected occupational groups in the enclosed brief questionnaire. It will take approximately 20 minutes to complete. A business reply envelope has been enclosed for your convenience.

Your answers will be kept confidential and used only in combination with those of other attorneys to get a composite picture. Upon your request, the results of this research will be made available to you.

Thank you for your help and cooperation.

Very truly yours,

Irene K. Douma

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238.

EXHIBIT V

February 2, 1981

Dear Mr.

As a final requirement for my doctoral studies in accounting, I am conducting a research project to determine the relative occupational status of several groups including doctors, lawyers, CPAs, clergy and university professors.

Your perceptions, as a financial executive are significant to the success of this research because of your experience in dealing with CPAs and their work products.

I would greatly appreciate your taking the time to record your perceptions of the CPA and other selected occupational groups in the enclosed brief questionnaire. It will take approximately 20 minutes to complete. A business reply envelope has been enclosed for your convenience.

Your answers will be kept confidential and used only in combination with those of other financial executives to get a composite picture. Upon your request, the results of this research will be made available to you.

Thank you for your help and cooperation.

Very truly yours,

Irene K. Douma

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239.

EXHIBIT VI

February 9, 1981

Dear Mr.

As a final requirement for my doctoral studies in accounting, I am conducting a research project to determine the relative occupational status of several groups including doctors, lawyers, CPAs, clergy and university professors.

Your perceptions, as a financial analyst are significant to the success of this research because of your experience in dealing with CPAs and their work products.

I would greatly appreciate your taking the time to record your perceptions of the CPA and other selected occupational groups in the enclosed brief questionnaire. It will take approximately 20 minutes to complete. A business reply envelope has been enclosed for your convenience.

Your answers will be kept confidential and used only in combination with those of other financial analysts to get a composite picture. Upon your request, the results of this research will be made available to you.

Thank you for your help and cooperation.

Very truly yours,

Irene K. Douma

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240.

EXHIBIT VII

March 12, 1981

Dear Mr.

In connection with my doctoral dissertation research project, I recently mailed you a questionnaire on the perceived occupational status of the attorney, CPA and other occupational groups. If you have returned the questionnaire, please consider this letter a "Thank you" for your help.

If you have not had the chance to complete the questionnaire, would you please do so now? Because of your experience with CPAs and their work products, your perceptions are vital to the success of my doctoral research project. To facilitate your response, I am enclosing another copy of the questionnaire. As previously noted, your answers will be kept confidential and used only in statistical analysis.

Once again, thank you for your help.

Very truly yours,

Irene K. Douma

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