



Accounting Education: A Strategy for National Security

ATARERE, Omotie-Ivie Lovy

Department of Business Education, College of Sports & Physical Education, Mosogar, Delta State, Nigeria

OSEMWEGIE-ERO, Omeghie Joy

Department Of Accounting, Benson Idahosa University, Benin City, Nigeria.

ENEH Onyinye

Department of Accountancy, Nnamdi Azikiwe University, Awka. Anambra State, Nigeria

ABSTRACT

The paper's focus was on how to train the future accounting practitioners to enable them contribute to national security through their practices. The financial world was sent reeling in the closing part of last decade with corporate failures of companies almost believed to be "untouchable" owing to bad financial practices. The paper looked at the ways the accounting profession may lead to insecurity in the country through producing graduates that are not competent enough to handle the financial sector in a safe way or even get jobs. The paper determined that accounting as a vocational subject needed to be taught in a specific way if it must benefit the students and prepare them for the world of work. It made several recommendations on how through the reaching of the subject the economic sector would become safer and more jobs would be available for the youths thereby ensuring national security individual and national security

INTRODUCTION

Education has been described as the bedrock of every society and tool for nation building, it is the key to national development (Nwawuzie, 2014). On a similar note, Education is viewed as the acquisition of the art of the utilisation of knowledge (Akiyaode & Ohenhen, 2011) it is not an exercise carried for mere enjoyment – it is undertaken by nation, whether developed or developing, to help solve the problems that affect that nation. In the case of Nigeria, National Policy on Education (NPC) (FRN; 2004:4) clearly stated that educational goals are to meet the needs of the individual and those of the society, in consonance with the realities of the environment and the modern world. Williams(1970), in Omede (2004) stated that one of the first things a nation does after independence is to ensure that its educational structures are firmly in place and tailored towards delivery of the future goals of the nation as it is an indispensable tool for developing the skills needed by the individuals that would manage the various institutions needed for the country to be a stable, secure and respectable one in the comity of nations. Accounting is listed as a vocational skill. Vocational and technical education existed in Nigeria before the arrival of the colonial masters – in fact, it was the entrenched mode of passing knowledge as African educational system was then more of practical than theoretical learning, (Fafunwa, 1991). Agishi (2006) however noted that the introduction of western-type education into Nigeria changed instructional techniques and placed emphasis more on theory than on practice with the effect that vocational education has been highly neglected. In fact, Ukeje in Agishi and Andural (2004) observed that the main defect of Nigerian educational system is its strong bias towards literacy subjects while creating a void in the technical education needs of the country. This misplaced emphasis on the methods of teaching vocational

subjects has led to several issues amongst which are neglect of the productive sector of the economy, unhealthy reliance on importation to meet every need of the country, inability to provide sufficient job opportunities for the growing youthful population. This in turn has led to serious insecurity in the nation, the emergence of strange government practices that seek to benefit some segments of society on the basis of tribe, religion and other criteria rather than on merit while disenfranchising others. Of course, the result has been insecurity both in physical terms and in terms of job assurance. This paper therefore is focused investing how accounting practice can lead to insecurity in the nation and proffer possible solutions of ways in which accounting education can be used to reduce national insecurity.

RELATED LITERATURE REVIEW

Education has been defined in various ways by various writers each emphasize been on a specific aspect of it. Education is the acquisition of knowledge be it specific and general in nature. Dewey (191) in Ezele, Money & Ekwevugbe (2004:21) saw it as the continuous construction or reorganization of experience which adds to the meaning of experience, and which increases the ability to direct the course of subsequent experience; to Fafunwa (1989) it is the sum total of various processes geared towards developing the individual and by implication, his society, while to Ukeje (1979) in Ezele et al (2004) it is a process, a product and a discipline. The federal government in the National Policy on Education (NPE) listed its main objective for educating its citizens to be building of:

1. a free and democratic society;
2. a just and egalitarian society
3. a united, strong and self-reliant nation;
4. a great and dynamic economy; and
5. a land of bright and full opportunities for all citizens. (NPC, 1991)

Consequent upon this, the government has looked up to education, like other developed and developing nations had done in times past after their attainment of independence, to help in the development of their country and people, Omode (2012).

Asaolu (2002) asserts that financial accounting is the process of recording, classifying, selecting, measuring, interpreting, summarizing and reporting financial data of an organization to the users for objective assessment and decision making. Accounting data are processed into accounting information through the use of accounting principles and conventions. The accounting principles are known as “generally accepted accounting principles.” They are the basic fundamentals which guide accountants in recording, appreciating and assessing accounting information as well as the preparation and interpretation of financial statements. The accounting information system is proven, time honored, and its format is universally understood. Books of accounts prepared by accountants in one part of the world are easily understood by their counterparts in other parts of the world because the information system is based on principles that are widely accepted and globally used. The objectives of studying financial are as follows:

1. To enable students appreciate the basic rules, functions and principles of accounting
2. To lay proper foundation for further study of accountancy and allied subjects.
3. To enable the students understand basic accounting principles, practice and their applications to modern Business activities.

It follows that if education has achieved its goal in Nigeria, there should by now be reasonable crop professionals who would be among international leaders in the field of accounting and that the economic institutions in the country should be under the control of respected accounting professionals. Also by now, we should have established a reliable system of teaching the subjects in our schools that would be proactive rather than reactive in issues concerning finances. The new collapse of many financial and other institutions in the country between 2008 and 2010 attest to the fact that we are far from experience economic disasters from the accounting practitioners in this country, going from the financial accountants who aid management executives to doctor and window dress accounts to make them look better than they really are to auditors who affirm that such accounts give a true and fair view of what transpired during the period covered (De Velde, 2008).

Experts vow that the right method of teaching a subject is important for attainment of set goals. To achieve the above stated objectives, financial accounting teachers employ various instructional methods in the classroom. Cantrell (2004) observes that teaching methods are in a continuum, ranging from exposition to inquiry. Uwameiye and Titilayo (2005) reported that the **Exposition** method of teaching is conventional and widely used in the classroom. Cantrell (2004) asserts that the method is characterized by the following:

- leader-centered, leader-active,
- learner passive and content emphasis.

Examples of exposition methods are lecture, discussion, traditional demonstration, guest speaker, panel discussion, storytelling, dramatization, and reading of textbooks, manuals or handouts. The **Inquiry** method on the other hand encourages the learner to generate his own information. It is characterized by being:

- learner-centered,
- leader-facilitated,
- learner-active; and
- learning process emphasis.

The choice of teaching method therefore is key to the kind of graduates produced and their ability to compete effectively in the marketplace.

Several factors influence teacher's choice of teaching method for classroom instruction. Onwegbu and Kpangba (1995) identify some of these to be cost, preparation time, and knowledge of the method, nature of the subject matter, curriculum prescription and research recommendations on sequencing of the learning experience. Akintelure (1998) reported that financial accounting is not a subject that can be mastered by mere memorization of the basic rules. It requires total involvement of the learner in the learning process, sound theoretical knowledge and intensive practice in application of basic principles. This means that the method of teaching this subject must be one that would enable transmission of knowledge and a display of the practical way of carrying on the accounting process. One of such ways is to revisit our educational system in the aspect of curricular being taught to the accounting students (Osemwegie-Ero & Oziegbe, 2015), especially as it is in Nigeria today where vocational education subjects are not taught in the recommended way; instead they are taught using the expository method. To make matters worse, the number of students to teachers is such that no meaningful learning can take place in form of transmission of knowledge. Akintelure (1998) blamed the poor performance on accounting to teachers' insensitivity to the nature of planning and teaching accounting. With good teaching and academic performance (Ogunu 2000), many more youths who today roam the streets would be able to get gainful employment and hence make the country that much more secure.

Professionalism in accounting education is increasingly being demanded by companies who are constantly dreaming up ways of cutting cost and hence continuing to be competitive. Therefore accounting training given to students must be able to produce the kind of professionals in demand today. Unfortunately, the tertiary education which is expected to have a strong impact in driving the engine of development and social reforms (Eke; 2010) produce graduates cannot stand international competition because of the current mode of their education. It is no more enough to get the theoretical knowledge of accounts – the relevant accountant of today must also be able to use the technical skills available in the field. He must be able to prepare financial accounts using the computer, carry out audit works and do several diverse accounting duties using the computer. The modern accountant must be on top of all new developments in the field such as the new way of preparation of financial accounting records using the International Financial Reporting Standards (IFRS). Many graduate accountants are roaming the streets of this country without jobs because they do not possess relevant technological skills to support the certificates they carry. The curriculum of tertiary education is reactive rather than being proactive. The school community is a microcosm of the larger society, expectedly therefore, this ugly behaviour of youths are carried along with them to the larger society and many even after graduation fight in groups of

different cults, get recruited as thugs, and as well as waylay travellers as armed robbers both in the nights and broad day lights, (Omede, 2012).

Another issue is that of current educational knowledge/information. The laws governing the preparation of accounting have changed from the local Statement of Accounting Standards (SAS) to the internationally applied International Financial Reporting Standards (IFRS). However, Nigerian curriculum is yet to reflect this change and students are still being taught the outdated method. The result is that when they graduate, these students will not be able to compete effectively in today's global marketplace. Such students have been programmed for failure and frustration and would be easy prey to all activities that threaten national security. Velentzas-Georgia Bron (2010) asserts that technology is man's efforts to satisfy his material wants by working on physical objects or the application of scientific knowledge to create things and solve environmental problems. It is important because it unites the universe of doing and that of knowing, connects both the intellectual and the natural histories of man (Drucker, 1970; Ray, 1971). The word technology according to Lux and Ray (1971) are Greek words meaning kill and science. Ugot (1998) asserts that one does not make sense without the other. It has been variously defined overtime. Hornby (2005) defines it as the scientific knowledge used in practical ways to create new things. It is the special skill and ability in the making or creation of objects. The definition by Lubunga (1985) is apt to accounting as he sees it as a human activity consisting of procedures, processes, methods being developed and adapted by society in order to solve specific problems and satisfy social needs

Usoro et al (2011) formed four implications from the definitions thus:

- It is influenced by human culture and learning
- It is man's ability to exploit and change the face of the earth to his advantage using special knowledge and procedures
- It is a developed and learnt, not transferred
- Technology is to solve human problems

Today there is great demand for better corporate governance practices in organizations, especially financial institutions. A key factor driving that demand is the increasing dependence on IT for job performance (Vowler, 2003 Williams, 2003). Rosenoer, Armstrong, and Gate assert that not only is IT changing the way business is conducted; it is increasing the risk associated with business in several ways such as:

1. The organization's inability to continue business if system are not functioning properly
2. Use of IT to operate globally and interconnect with outside entities

One of the biggest problems facing education in the land is emphasis certificate to the detriment of knowledge. This has caused the students to be prepared to do anything to get these certificates including examination malpractice, threats to lecturers and fellow students. Omede (2012) asserts that Students who are so desperate at passing national and qualifying examinations had on several occasions stabbed or even killed some invigilators. Even for those admitted, technological tools are still at very basic levels with much emphasis still placed on theoretical knowledge rather than practical. Ajayi (1999) cited by Eke (2010) insists that that the major test of quality in our education is its relevance to the needs of the community. Eriba (2008) noted like some other educationists that the curriculum does not adequately prepare the learners for the kind of job the society would offer them today.

Because the government could not meet the nation's need for tertiary education, it allowed the entrants of private practitioners into the scene. While this may be solving one problem, there are indications that it is creating another (Omede, 2012). Many of these institutions lack qualified staff in relevant fields of study, lack monitoring, control and discipline. Graduates of these institutions often are not able to defend the qualifications they carry and so qualify for the jobs they seek, with the result that these schools are not gradually been known as "*aje buta school*". This is a time bomb that should be carefully handled now and not allowed to explode later because it can be highly destructive.

Poor instructions are another factor that makes our educational system unable to deliver on its promise. Omede (2012) asserts that many factors are responsible for this happening which cuts across the various

levels of education in the country. Among these factors are incessant and prolonged strike between staff of institutions of learning and their employers, inadequate teaching and learning materials, inadequate qualified personnel particularly, the academic staff leading to low teacher-students ratio, poor remunerations leading to brain drain of qualified technical staff especially at the tertiary levels (Ph.D holders are drifting away from Colleges of Education and Polytechnics because they cannot become professors remaining at those levels), examination malpractice as well as lack of monitoring, supervision, control and discipline. The results of all these are poor technological development, bad leadership, underutilization and exploitation of natural resources as well as the inability of the graduates to be globally competitive. One can then be sure that a society with this kind of educational characteristics can never be free of violence and insecurity.

Today's businesses face a series of threats including macro-economic instability, consumer uncertainty, and market volatility and increasing administrative complexity. At the same time, rising energy prices and a reconfiguration of the global business landscape towards the emerging economies also present prominent and persistent challenges. As such, the role of the Chief Financial Officer (CFO) is changing rapidly and now may include greater input into corporate strategy, mergers and acquisitions deals, and interaction with the media and policy makers as well as been more proactive to emerging future issues. For the CFO to adequately meet this challenge, he needs the trust of the various people he works for and with. However, in recent times the activities of accountants have not engendered them towards those who should trust them. Deep public concern over ethical and financial misconduct by top management and directors of major companies led to the passage of the historic Sarbanes Oxley Act 2002 redefining the roles and responsibilities of accountant. Here in Nigeria, auditors were held culpable in the Cadbury scandals and the collapse of many of the banks that had to be eventually taken over by the federal government.

Business Ethics

Ethics aims to determine the fundamental purposes of a company (De George, 1987,; Marcoux, 2003). Corporate social responsibility or CSR (Hoffman, Frederick and Schwartz 2000) works as an umbrella term under which the ethical rights and duties existing between companies and society is debated. Before its bankruptcy in late 2001, Enron was one of the world's leading companies with claimed revenues of nearly \$101 billion in 2000. At the end of 2001 it was revealed that its reported financial condition was sustained substantially by institutionalized, systematic, and creatively planned accounting fraud. This led to the creation of the Sarbanes-Oxley Act of 2002 dissolution of Arthur Andersen accounting firm. (International Conference On Applied Economics – ICOAE 2010). The Sarbanes-Oxley Act was passed in 2002 to correct, among other things ethical issues in corporate governance and raising ethics to a level of prominence and concern in corporate governance. It also focusses on correcting critical areas of poor corporate governance by mandating ethics, integrity and professionalism in corporations...(Osemwegie-Ero & Oziegbe, 2015). In Nigeria, creative accounting of the Oceanic Bank, Bank Phb and others nearly brought the financial system to its knees, something that is capable of causing the collapse of the nation. It is therefore important that accounting practitioners undergo morale and ethical trainings from elementary level of education for it to be ingrained in them that their selfish actions can cause the collapse the nation.

The evidence of management seeking behaviour and manipulation of accounting numbers raised many questions about the ethical behaviours and values of those at the helm of organizations as well as the system of accountability and transparency that exists in the corporate world. Ethics, in corporate governance, refer to moral values, professionalism, business legitimacy, integrity, competence and prudence (that is, due care), equity and fairness (Tigos & Keefe, 2004; Mintz & Morris, 2007).

Today, the ethical standard of Nigerian students is very low with many willing to betray the country for very little selfish benefits as they believe the country has abandoned them. It is commonplace to hear of students been involved in kidnapping even of their lecturers, ritual killings, robbery and other such vices. Since independence in 1960 and till now, the country's education is yet to meet the yearnings and aspirations of its people,(Achor 2010; Eke 2010) believes that our education has failed if the major task of

higher institutions is to produce manpower for development and our products are deemed unsuitable by employers.

Non-application of technology to vocational skills is another problem making it difficult for our graduates to find work after education. Every aspect of life has received some form of technological adaptation. Today lot of the jobs that accountant has hitherto been identified by are becoming commodities that computer software is perfectly capable of doing at great speed and accuracy. These jobs include calculating and generating payroll schedules, generating VAT return figures (including FRS adjustments), quarterly PAYE returns, generating dividends voucher, calculating corporation liability and so on. The computer has been credited with greatly enhancing the quality, speed and professionalism of office work by the speed with which it processes information and reduction of tedium in the work process. (Verrier, 2009). In this situation, it would be difficult for an unprepared and adequately trained “accountant” to survive in the workplace – the types that Nigeria is producing by the droves yearly.

Insecurity in Nigeria

National security is the conscious design by state to protect their corporate existence and values from external threats (Berkowitz and Bock, 1968 in Otoghile and Otobo, 2011). A nation is secure to the extent to which it is not in danger of sacrificing core values. It is the protection through power leverage that propels a country through the tempests of international conflicts, (Wolfers, 1966 in Otoghile and Otobo, 2011). It is a function of the power and opportunities which nations possess of reducing danger. A major factor in national security is ability to gainfully employ citizenry. In Nigeria there is a high level of unemployment which is being worsened daily by closures of productive businesses because of inability to compete in today’s global market. This kind of insecurity produces a crop of active but unemployed minds overwhelmed with frustration and disillusionment and willing to do anything to get along financially, socially and otherwise.

Nigeria has been described as a land of many nations. Infact, many ethnic tribes today take pride in emphasizing their nationality rather than the one-nation status of the country. This myopic view of the country has resulted in injustices and perceived injustices been done to some segment of the country. Not too long ago the nation was in the grips of the fear that the Nigeria Delta youths will eventually put a knife to the tiny threat that holds the various paths together. Today, the fear is coming from the activities of “Boko Harams” youths from the north. Nigeria is no longer at peace and so many things seem to be falling apart because the centre seems to be losing control. The Minister of Defense and the security adviser to the President were relieved of their appointments in 2012 and now again in 2016 the Minister of Defense was recently relieved and every right thinking Nigerian should expect this because of how these terrorists unleash mayhems without much reasonable federal government military opposition resistance or orders. Right at the centre of all these crimes are youths who are supposedly the leaders of tomorrow.

Possible Solution and Way Forward to the Insecurity Problem

Transitional or developing economies are keen to participate fully in the global economy. To do this, they must demonstrate that their businesses, accounting firms and accounting staff are all capable of working to consistent global standards. This means staff must be receiving regular and relevant training and education to keep them up to date. To ensure relevance, accounting education in universities and colleges must continue to adapt to the changes in the business environment and international accounting standards. This may involve the harmonization of accounting education with international competency standards. Economic globalization has enabled freer cross-border movement of talent. This, in turn, has opened up the possibility for graduates from transitional economies to enter mature economies and vice versa. Harmonizing accountancy training with global standards, and especially those of Western organizations, is difficult to achieve but has many potential associated benefits. The development of a skilled accounting workforce can help both the private sector and government agencies. Skilled accountants can help ensure that operations are efficient, prudently managed, transparent and competitive. Many developing economies are now producing significant numbers of well-trained professional accountants. Others, however, may have to undergo a fundamental transformation of their accountancy.

Those country must make deliberate attempts to improve the quality of education available in its institutes by exploiting all avenues such as e-learning, and exchange programmes to get the would be accountant fully prepared for the challenges of the profession (Velentzaso-Georgia Bron, 2010). Poor infrastructure combined with rapid adoption of low-cost technology makes e-learning a logical choice for developing nations. Peer-to-peer learning through social networks, learning through games ('gamification'), and learning materials provided on mobile platforms are all likely candidates for future developments in online learning which the country must key into.

There must be a reformatting of the school curriculum to make it more proactive rather than reactive. This should also be accompanied with provision of adequate teaching implements for effective transmission of knowledge. It is said a man cannot rise above his knowledge base, so it would be in the interest of the nation to build up an impressive knowledge base for the coming generation. Another area of interest is the inclusion of moral and value education to be taught in the learning process.

Gusua (2008) insists that momentous economic and social forces are currently reshaping the world. At the same time, disruptive advancements – often enabled by technology – are affecting everything from industry structures, through societal governance to the nature of human interaction. The ability of the education system to adapt to the new challenges and opportunities created by change and transformation is becoming a key determinant of success or failure in a turbulent operating environment. And this adaptation depends upon the extent to which leaders are willing to recognised accept and react to these changes. There is a concern that Nigerian leaders are still in denial and are turning a blind eye to current and emerging drivers of change. Iyoha and Ali-Momoh (2010) takes the stand that two priority activity areas would be infrastructural development and capacity building, inclusive of education, training and perhaps retraining. One would typically agree to this, more so that these leaders as it were believe there is no need to adapt – in the hope that the destructions of the youths would play themselves out. However such hopes can be discountenanced with the events of Niger Delta youths and now Boko Haram with unimaginable issues of the Chibok-Girls, suicide bombings, incidence of attacks and rape, with the list being endless. The time to act is NOW if we are to have a better country Nigeria.

REFERENCES

- Agishi, S. A. (2006). The Place of Vocational and Technical Education in a Great and Dynamic Economy. *Journal of Qualitative Education*, Vol 2(1). May, 2006.
- Akinyoade, S.O. and Ohenhen,P.E. (2011). The Gap Between Accounting Education And Accounting Practice in Nigeria: An Assessment, In Aghayere, V.O.; Iyoha, F.E. & Amadasun, A.B. (Eds) *In Search of Sustainable Development Alternative in Nigeria*. 263 -276.
- Fafunwa, B (1974). *History of Education in Nigeria*. London: George Allen and Union Ltd.
- Imeokparia, A. E. L. (2006): Impact of Information Technology on Internal Audit in Nigeria Organizations.*Journal of Business Management*. Vol. 1(2)
- Iyoha, M. and Ali-Momoh, B. (2010). Creating an Enabling Environment For Youth Employment In The Niger Delta Region Of Nigeria. *Journal of West African Social and managment Sciences Review (WASMSR)*.1. (2), 131 – 147.
- Nwawuzie, N. J. (2014). Evaluation of Students' Teachers Perception of Teaching Practice Programme in Benson Idahosa University. An Unpublished Project Submitted To The Department Of Business Education.
- Okafor, C and Akinmayowa, J.T. (2004). Impact of Accounting on Human Behaviour: Implications for Organizations and Society. *Nigerian Journal of Business Administration*. Vol 6 (1). January 2004.
- Omede, J. (2012). Reformatting Nigerian Secondary and Post Secondary Education to Meet Unemployment and Security Challenges of the 21st Century.
- Osemwegie-Ero, O.J. and Oziegbe, D.J. (2015), Ethic in Accounting Education: A Panacea for the Challenges In The Accounting Practice. *Review Of Public Administration And Public Affairs In Africa (RPPAA)*,1 (2), 49 - 60

- Otoghile A. and Otobo, F. O. (2011). The impact of National Security on Nigeria's Foreign Policy. International Journal of Research Development.
- Uwameiye R. and Titilayo O. M. (2005). A Comparative Analysis of Two Methods of Teaching Financial Accounting at Senior Secondary School. Retrieved on Tuesday 11th June, 2013. On www.google.com.
- Velentzas-Georgia Bron J. (2010): Ethical Dimensions in the Conduct of Business Ethics, Corporate Social Responsibility and the Law. The "Ethics in Business" as a Sense of Business Ethics