

Undergraduate Accounting Students' Perspectives on the Proposed CPA Competency-Based Experience Pathway: Insights From a Diverse Urban University

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This study examines undergraduate accounting students' perspectives on the proposed CPA Competency-Based Experience Pathway. Survey data collected from 76 accounting majors at a southern public university with a predominantly Hispanic population's assessed awareness, understanding, and attitudes toward the alternative pathway. Key findings reveal limited awareness but strong interest in practical experience and cost-saving benefits, alongside concerns about employer acceptance and competency evaluation clarity. Most students indicated the pathway would positively influence their CPA pursuit, valuing interstate consistency. Results suggest the pathway could broaden CPA licensure access but highlight needs for enhanced communication, employer engagement, and standardized evaluation. This research informs educators and policymakers about students' perspectives to support pathway implementation for diverse, non-traditional candidates.

Keywords: CPA Competency-Based Pathway, accounting education, CPA licensure, practical experience, cost barriers, employer acceptance, accounting career promotion

INTRODUCTION

The accounting profession faces evolving demands for accessibility, flexibility, and relevance in licensure pathways. Meeting the demands is a concern in the accounting industry as there are currently fewer applicants pursuing a Certified Public Accountant (CPA) licensure. The American Institute of Certified Public Accountants (AICPA) Trends Report revealed that there were only 30,251 new CPA candidates in 2022 compared to 48,004 new CPA candidates in 2016, resulting in a 37% decrease (AICPA, 2023). The traditional pathway to CPA licensure has hinged on a prescribed credit-hour threshold (150 credit hours) and time-based experience requirements that may pose both a time and financial barrier for potential candidates. Critics argue that such models emphasize seat time over demonstrable skills (Frank, 2001). Furthermore, this perspective is supported by the findings of Meehan and Stephenson (2021), who

analyzed the impact of changes in educational requirements on CPA exam candidates from 2006 to 2016. Their research suggests that reducing the number of required credit hours increases the number of first-time candidates, while an increase in prerequisite hours has the opposite effect, with no significant correlation to pass rates or scores. This indicates that the 150-hour requirement may serve as a barrier to entry without necessarily improving candidate quality. In contrast, findings indicate that competency-based education (CBE) aligns with mastery learning (Bloom, 1968) and andragogy (Knowles, 1984), focusing on demonstrated proficiency rather than accrued hours.

Building on the principles of CBE and the need for more flexible licensure models, the AICPA and the National Association of State Boards of Accountancy (NASBA) have proposed the CPA Competency-Based Experience Pathway as an alternative to traditional licensure routes, aiming to address accessibility, flexibility, and relevance demands (AICPA & NASBA, 2023 2024). Unlike the conventional Option 1 method of becoming a licensed CPA (bachelor's and master's degrees, one year of experience, and the CPA exam) and Option 2 (bachelor's degree, 30 additional credit hours, one year of experience, and the CPA exam), the proposed pathway emphasizes practical competencies validated by a CPA evaluator, reducing reliance on additional academic credits (NASBA, 2023). This shift addresses the financial and time constraints faced by candidates, particularly those from underrepresented or non-traditional backgrounds.

A recent survey of 1,800 accounting students revealed that the cost of additional coursework to meet the 150-credit-hour requirement for CPA licensure poses a significant barrier, particularly for students from diverse backgrounds. Specifically, 42% of Black students, 37% of Hispanic students, and 29% of White students reported this requirement as an obstacle to pursuing the CPA licensure (The Center for Audit Quality, 2023). Despite AICPA establishing a Minority Initiatives Committee in 1969, accountants from diverse racial and ethnic backgrounds represent only 4.3% of the profession (AICPA, 2023). Furthermore, hiring disparities persist, as Nickerson et al. (2024) found that while callback rates for job applications in public accounting firms showed no overall racial differences, White applicants with higher-quality resumes received more callbacks than their Black counterparts, highlighting the need for equitable educational and professional opportunities. This issue is compounded by a potential decline in the accounting pipeline, as noted by Comunale et al. (2023), who highlight a nationwide trend of declining accounting enrollments since 2015, raising concerns about a future shortage of skilled professionals. Their survey of current accounting professionals and students reveals high satisfaction rates (78% and 90%, respectively), yet underscores ongoing challenges, including the profession's struggle to attract and retain diverse talent. The proposed CPA Competency-Based Experience Pathway prioritizes practical skills over extensive academic credits, reducing financial and time barriers and encouraging greater participation from underrepresented groups, including Black, Hispanic, and other minority candidates. This pathway is poised to cultivate a more inclusive workforce with diverse cultural backgrounds, equipping accountants with unique perspectives to address the needs of global clients. Such diversity enhances the profession's ability to deliver culturally informed financial reporting, auditing, and advisory services, thereby strengthening trust and effectiveness in an interconnected global market.

This study examines the perspectives of undergraduate accounting students on the proposed pathway, focusing on a diverse student body at a southern public four-year university located in a large U.S. city with a predominantly Hispanic population. The survey targeted 657 sophomores to senior accounting majors in December 2024, yielding 76 responses (11.6% response rate)¹. The 24-question survey explored demographics, academic and employment status, awareness, understanding, interests, concerns, and preferences regarding the CPA alternative pathway. The research aims to answer: (1) How aware and informed are students about the pathway? (2) What are their primary interests and concerns? (3) How might the pathway influence their decision to pursue a CPA licensure? Our findings provide actionable insights for educators, policymakers, and professional organizations to refine the design and communication of the CPA Competency-Based Experience Pathway. Given that the proposed pathway is still under legislative deliberation in most U.S. states, capturing the perspectives of accounting students—key stakeholders and potential CPA exam takers—is both critical and timely to ensure the pathway meets their needs and supports an inclusive licensure process.

THEORETICAL FRAMEWORK FOR SURVEY DESIGN AND IMPLICATIONS

This study employs human capital theory (HCT; Becker, 1964) and social cognitive career theory (SCCT; Lent, Brown, & Hackett, 1994) to frame the design and purpose of a survey exploring undergraduate accounting students' perspectives on the CPA Competency-Based Experience Pathway, an alternative licensure route that enhances the CPA licensure process by offering a cost-effective, skills-focused approach to increase accessibility for diverse candidates.

The HCT posits that individuals invest in education and skills to enhance employability and earning potential, and the pathway aligns with this by emphasizing practical competencies over traditional educational requirements, such as additional coursework or earning a master's degree, potentially reducing financial and time barriers. The survey investigates how students perceive these cost-effective opportunities in their pursuit of the CPA licensure. The SCCT emphasizes self-efficacy (the belief in one's ability to succeed), outcome expectations (anticipated career rewards), and environmental influences (external supports or barriers) in the career decision-making process. The pathway may foster self-efficacy by allowing students to demonstrate real-world competencies, enhance outcome expectations through accessible licensure routes, and rely on environmental supports such as clear evaluator guidelines; however, barriers like inconsistent regulations could hinder motivation. The survey aims to capture students' awareness, understanding, and confidence in navigating the pathway, examining how these theoretical constructs shape their interest in the CPA licensure and informing educators, regulators, and the accounting industry on fostering an inclusive licensure process.

For educators, the pathway's alignment with SCCT underscores the need to integrate practical, competency-based training into an accounting curriculum, as Liu et al. (2024) suggested that practical training enhances CPA exam pass rates. The survey results revealed that educators should emphasize skills such as ethical behavior (87% priority), critical thinking (81%), and communication (79%), which students value highly, to boost their self-efficacy. Programs can simulate workplace scenarios or partner with accounting firms to provide early exposure to competency validation, particularly for students with no technical experience (48%). Given low awareness (74% unaware) and understanding (51% with no/slight comprehension), educators must incorporate the pathway into career advising, ensuring students, especially Hispanic and female students (66%), understand its benefits and requirements.

The survey results suggest the AICPA and NASBA need to address environmental barriers to maximize the pathway's motivational impact. Low confidence in evaluator access and concerns about the clarity of the competency evaluation highlight the need for standardized assessment protocols and a robust evaluator network. The strong demand for consistent state regulations (67%) calls for national alignment to ensure fairness and mobility, critical for a diverse workforce. Regulators should also launch outreach campaigns to increase awareness, as the pathway's potential to attract motivated candidates (56% are very likely to pursue CPA licensure) depends on clear communication and awareness.

For the accounting profession, employers play a pivotal role in shaping outcome expectations, yet many respondents (34%) expressed concerns about employer acceptance of the alternative CPA pathway. This skepticism aligns with findings from Franklin and Lytle (2015), who note that employers are often unfamiliar with competency-based education programs and question their rigor compared to traditional credentials, which limits their market recognition. To address this, the industry must endorse the pathway as a credible alternative to traditional licensure routes, recognizing its rigor in validating competencies like Business and Financial Reporting or Tax. Accounting firms can support self-efficacy by offering structured mentorship or internship programs (only 4% of respondents in internships), providing opportunities for students to demonstrate their skills, as Franklin and Lytle (2015) suggest, through stronger employer-educator collaboration to align competency-based programs with workforce needs. Engaging with regulators to define competency standards can address concerns about quality and rigor, ensuring the pathway produces qualified CPAs who meet industry needs, particularly in corporate and public accounting.

By leveraging the HCT and SCCT frameworks, the CPA Competency-Based Experience Pathway can motivate a diverse student population to pursue licensure, but its success hinges on coordinated efforts to enhance self-efficacy, align outcome expectations with career realities, and create a supportive licensure

environment. Franklin and Lytle (2015) emphasize that employer engagement and transparent assessment systems are critical to building trust in competency-based credentials, reinforcing the need for collaboration among educators, regulators, and employers to ensure the pathway's credibility and effectiveness. This approach not only broadens access but also strengthens the accounting profession's pipeline of qualified, motivated professionals.

METHODOLOGY AND KEY FINDINGS

The survey offers critical insights into the demographics, academic and professional backgrounds, attitudes, and concerns of undergraduate accounting students regarding the CPA Competency-Based Experience Pathway, highlighting the potential to influence students' pursuit of CPA licensure and their future accounting careers.

This study employed an online survey to investigate undergraduate accounting students' perspectives on the CPA Competency-Based Experience Pathway, as proposed by the American Institute of Certified Public Accountants (AICPA, 2023) and the National Association of State Boards of Accountancy (NASBA, 2023). The survey targeted 657 accounting majors (sophomores to seniors) online at a southern public four-year university in a large U.S. city with a predominantly Hispanic student population, yielding 76 responses (11.6% response rate). Comprising 24 questions, the questionnaire assessed demographic profiles, academic and professional backgrounds, awareness and understanding of the pathway, motivational factors, perceived benefits and concerns, and professional attitudes toward the CPA licensure. Questions included multiple-choice, Likert-scale, and open-ended formats, with respondents permitted to answer partial questions to accommodate varying levels of engagement and knowledge. Descriptive statistics were used to summarize respondent characteristics, while interpretive analysis linked findings to theoretical frameworks and practical implications for the accounting profession. A copy of the questionnaire and full results are presented in Appendix I.

Demographic and Academic Profile

The survey respondent pool (n=76) consisted of undergraduate accounting majors at a southern public four-year university in a large U.S. city, with a predominantly Hispanic/Latino (63%) and female (66%) composition. Nearly half (46%) were aged 27 or older, reflecting a non-traditional student population. Academically, most had earned 18–30 or more accounting credit hours (49%) and maintained GPAs of 3.0–3.49 (47%) or 3.5–4.0 (31%), indicating a strong academic performance. Employment status varied, with 46% in full-time positions, 22% in part-time positions, and 27% unemployed; among those employed, 37% worked 31–40 hours per week. Nearly half (48%) reported no technical experience, while Business and Financial Reporting was the most cited area of technical expertise (21%) among those with experience.

This profile aligns with the characteristics of adult learners (Kasworm, 2003), as described by the Adult Learning Theory (Knowles, 1984), which emphasizes self-directed, goal-oriented learning driven by the immediate relevance to professional or personal goals. The CPA Competency-Based Experience Pathway's focus on practical competencies and reduced academic requirements may resonate with these learners, who often balance education with significant work commitments. Additionally, the respondents' high academic achievement (Astin, 1993) underscores their potential to value rigorous credentialing, consistent with credentialism and signaling theory (Spence, 1973), where the CPA licensure serves as a signal of professional competence and employability.

Awareness and Understanding

Awareness of the alternative CPA pathway was low, with 74% of respondents (n = 65) being unaware of this proposed option prior to the survey. Their understanding was also limited, with 51% reporting no or slight comprehension and only 15% claiming very well or complete understanding. This suggests significant gaps in communication and outreach to undergraduate students. This also echoes findings that novel credential models suffer from "diffusion of innovation" challenges (Rogers, 2003). This theory explains how innovations spread through social systems, influenced by the innovation's characteristics,

adopter categories, and diffusion processes. The pathway must align with existing values, norms, and practices within the accounting profession and the education system. The traditional CPA licensure is deeply rooted in academic credit requirements and standardized exams, creating a cultural bias toward formal education. The competency-based model, reliant on workplace evaluations, may clash with these norms, particularly among educators accustomed to credit-based curricula and employers who value graduate degrees. The challenge is to integrate the alternative pathway into existing licensure frameworks without disrupting established expectations, necessitating collaboration with academic institutions and professional bodies. Clear, theory-informed communication—leveraging adult learning principles—is needed.

Interests and Benefits

Survey respondents identified practical experience (29%) and cost/time savings by potentially avoiding a master's degree (26%) as the most appealing aspects of the CPA Competency-Based Experience Pathway, followed by flexibility in meeting licensure requirements (25%) and an emphasis on competency over credit hours (18%). Perceived benefits included the reduced financial burden (34%), faster licensure (34%), and flexibility in technical areas (21%), reflecting strong student interest in practical and cost-effective licensure pathways. These preferences align with several theoretical frameworks. The Self-Determination Theory (Deci & Ryan, 2000) suggests that autonomy and competence drive motivation, explaining why students value practical experience (29%) and flexible requirements (25%), which allow them to demonstrate skills in real-world settings and tailor their licensure journey. The Adult Learning Theory (Knowles, 1984) suggests that adult learners are self-directed, problem-centered, and motivated by relevance. The pathway's modular, competency-based assessments cater to these needs by enabling learners to advance upon mastery, making licensure immediately applicable to their professional goals. The Human Capital Theory (Becker, 1964) emphasizes efficient skill acquisition to enhance employability, with the pathway's faster licensure route (34%) and cost savings (26%) reducing the "time to signal" professional competence, a critical factor for students seeking CPA credentials. Research in fields such as nursing and IT (van Merriënboer & Kirschner, 2018) supports the role of efficiency in enhancing learner engagement and workplace readiness, suggesting that the pathway's appeal lies in preparing students for the practical demands of the accounting profession. These findings highlight the pathway's potential to align the CPA licensure process with the motivations and career aspirations of adult learners.

Concerns

Survey respondents expressed significant concerns about the CPA Competency-Based Experience Pathway, with employer acceptance (34%) and uncertainty about competency evaluation processes (27%) being the most prominent. Moderate concerns included the pathway's quality and rigor compared to traditional licensure routes (18%) and potential changes in state regulations (10%). Only 2% reported no concerns, highlighting widespread apprehension about the pathway's credibility and implementation within the CPA licensure process. These findings align with current literature on professional credentialing and educational innovation. Signaling theory (Spence, 1973) suggests that credentials serve as signals of competence to employers. Without clear, standardized assessment protocols, the pathway risks weak market recognition, as employer acceptance concerns (34%) indicate uncertainty about its legitimacy compared to established academic credentials. The concern over quality and rigor (18%) echoes debates on "credential inflation" in higher education (Gervais, 2016), where alternative pathways must demonstrate robust, validated competency frameworks to maintain professional standards—a challenge also noted in competency-based education literature (Klein-Collins, 2013).

Uncertainty about competency evaluation (27%) aligns with research emphasizing the need for transparent, reliable assessment systems to ensure trust in non-traditional licensure models (van Merriënboer & Kirschner, 2018). These concerns reflect broader implementation challenges identified by Albanese et al. (2010) in medical education, who emphasized that competency-based curricula require "careful planning, preparation, and a long-term commitment from everyone involved in the educational process" to address stakeholder skepticism and ensure credible assessment systems. Additionally, concerns

about state regulation changes (10%) reflect the fragmented nature of U.S. licensure systems, where inconsistent adoption could undermine the pathway's viability (Boyle & Hermanson, 2020). These findings underscore the need for clear standards, robust stakeholder engagement, and regulatory alignment to enhance the pathway's acceptance and effectiveness in the accounting profession.

Influence on CPA Licensure

The survey revealed strong student motivation toward the CPA Competency-Based Experience Pathway, with 74% of respondents indicating its availability would positively influence their decision to pursue CPA licensure (42% very likely, 32% likely). Additionally, 56% reported being very likely to pursue a licensure regardless of the pathway, reflecting high intrinsic motivation. However, confidence in locating a CPA evaluator was limited, with 39% neutral and 29% slightly or not confident. A majority (54%) preferred standardized competency assessments over individual evaluators, and 67% considered consistent state licensure pathways extremely or very important. Self-Determination Theory (Deci & Ryan, 2000) suggests that intrinsic motivation, as evident in the 56% of individuals highly motivated to pursue licensure, is driven by autonomy and competence, which the pathway supports through flexible, skills-focused licensure options (74% influenced). The Social Cognitive Career Theory (Lent, Brown, & Hackett, 1994) emphasizes self-efficacy and environmental influences in career decisions; low confidence in evaluator access (39% neutral, 29% low confidence) highlights an environmental barrier that could undermine students' pursuit of licensure unless addressed through clear implementation processes. The preference for standardized assessments (54%) reflects a desire for reliable and equitable evaluation systems, consistent with research on the need for transparent frameworks in competency-based education (Klein-Collins, 2013). Similarly, the emphasis on consistent state licensure pathways (67%) aligns with studies highlighting the challenges of regulatory fragmentation in U.S. accounting licensure (Boyle & Hermanson, 2020), underscoring the need for uniformity to ensure candidate mobility and trust. These findings suggest the pathway's potential to enhance CPA licensure accessibility, provided stakeholders address evaluation and regulatory barriers.

Career and Competency Preferences

The survey revealed strong student motivation toward the CPA Competency-Based Experience Pathway, with 74% of respondents indicating its availability would positively influence their decision to pursue CPA licensure (42% very likely, 32% likely). However, confidence in locating a CPA evaluator was limited, with 39% neutral and 29% slightly or not confident. Again, low confidence in evaluator access (39% neutral, 29% low confidence) highlights an environmental obstacle that could undermine students' pursuit of the licensure unless addressed through clear implementation processes. The preference for standardized assessments (54%) reflects a desire for reliable and equitable evaluation systems, consistent with the preference for transparent frameworks (Klein-Collins, 2013). Similarly, the emphasis on consistent state licensure pathways (67%) reiterates the need for uniformity to ensure candidate mobility and trust.

Cost and Education

Lastly, the survey highlighted cost as a critical factor in CPA licensure decisions, with 76% of respondents rating additional education costs as extremely or very significant. Although 52% agreed that a Master of Accountancy degree is important for long-term success, open-ended responses emphasized practical experience and alternative learning paths as viable substitutes for traditional graduate education. These findings align with the Human Capital Theory (Becker, 1964), which posits that individuals weigh the costs and benefits of education to enhance employability; the high concern for costs (76%) reflects students' sensitivity to financial barriers in pursuing a CPA licensure, favoring pathways that minimize expenses while achieving professional credentials. Competency-Based Education (CBE) literature (Klein-Collins, 2013) supports the appeal of alternative learning paths, noting that CBE models, like the proposed pathway, enhance accessibility by focusing on demonstrated competencies rather than extensive academic requirements. These findings suggest that the CPA Competency-Based Experience Pathway's emphasis on

practical skills and reduced academic costs could address student concerns, enhancing the inclusivity of the CPA licensure process.

CONCLUDING REMARKS AND DISCUSSIONS

Concluding Remarks

This study contributes to the accounting education and licensure literature by providing empirical insights into undergraduate students' perspectives on the CPA Competency-Based Experience Pathway. It highlights the pathway's potential to broaden access by reducing financial and academic barriers, particularly for Hispanic and non-traditional students. The findings underscore the need for enhanced communication to increase awareness and understanding, as well as employer engagement to ensure the pathway's credibility. The preference for standardized assessments and consistent state regulations provides policymakers with actionable guidance. Educators can leverage these insights to align curricula with valued competencies (e.g., ethics, critical thinking) and career interests (e.g., corporate accounting). The study also amplifies the voices of a diverse student population, contributing to equity in professional accounting pathways.

Discussion

The survey results reveal both opportunities and challenges for the CPA Competency-Based Experience Pathway. High unawareness (74%) and limited understanding (51% with no or slight comprehension) indicate a critical need for targeted outreach, such as career fairs or partnerships with accounting organizations, particularly for undergraduate students early in their career planning. The pathway's emphasis on practical experience and cost savings resonates strongly, aligning with human capital theory's focus on accessible skill development (Becker, 1964). However, concerns about employer acceptance (34%) and evaluation clarity (27%) suggest skepticism about the pathway's market legitimacy, consistent with social cognitive career theory's emphasis on outcome expectations (Lent, Brown, & Hackett, 1994). This skepticism mirrors findings from Franklin and Lytle (2015), who noted that employers often lack awareness of competency-based education programs and question their rigor, underscoring the need for robust industry engagement to build trust in the pathway.

Widespread apprehension about the pathway's credibility and implementation challenges reflects what Spady (1977) identified as a persistent issue in competency-based education: the tendency for such initiatives to gain momentum without sufficient definitional clarity or theoretical grounding, particularly regarding evaluator criteria and assessment processes. For instance, a recent survey of accounting practitioners indicated a preference for the traditional 150-hour educational requirement for CPA licensure (Texas State Board of Public Accountancy, 2024). This preference could complicate the pathway's implementation, as evaluators accustomed to the 150-hour standard may question the pathway's rigor, potentially leading to inconsistent assessments. Furthermore, this practitioner bias may impact future employability, with employers potentially valuing candidates who have completed 150 hours of academic credit over those pursuing the pathway, thereby risking a two-tier workforce where pathway candidates are perceived as less qualified. To mitigate this, the American Institute of Certified Public Accountants (AICPA) and National Association of State Boards of Accountancy (NASBA) must engage practitioners in developing standardized, transparent evaluation protocols to ensure the pathway's credentials are recognized as equivalent to traditional routes, aligning with signaling theory's emphasis on market legitimacy (Spence, 1973).

The predominantly Hispanic (63%) and non-traditional (46% aged 27 or older) respondent pool highlights the pathway's potential to serve underrepresented and adult learners, who value its cost-effective, skills-focused approach, as supported by adult learning theory (Knowles, 1984). However, this demographic group specificity raises questions about whether these results are limited to this group. For instance, Hispanic and non-traditional students may prioritize cost savings and flexibility due to socioeconomic or work-related constraints, which may not resonate as strongly with younger or non-minority students at other institutions. Additionally, the single institution focus limits generalizability, as

regional or institutional factors, such as curriculum design or local employer attitudes that may influence perceptions. Despite this, the diverse respondent pool provides valuable insights into the needs of underrepresented groups, suggesting that the pathway could enhance equity if tailored to address their unique barriers, such as limited access to evaluators (39% neutral, 29% low confidence). Future research should compare attitudes across diverse institutions and demographic groups to assess the pathway's broader applicability.

The CPA licensure pathway's emphasis on practical experience necessitates integrating competency-based training into an accounting curricula, prioritizing skills like ethical behavior (87%), critical thinking (81%), and communication (79%), as valued by survey respondents (The Center for Audit Quality, 2023). This shift may require faculty to redesign courses that incorporate workplace simulations or partnerships with accounting firms, particularly for the 48% of students who lack technical experience (The Center for Audit Quality, 2023). However, practitioner preference for the 150-hour requirement (Barrios, 2019; National Pipeline Advisory Group, 2024; Texas State Board of Public Accountancy, 2024) may create tension as programs balancing traditional credits with competency-based approaches risk misalignment with employer expectations. To address this, educators must collaborate with regulators, employers, and learners to align curricula with licensure standards while fostering self-efficacy and preparing students for diverse career paths, such as audit or tax roles. Nickerson et al. (2025) demonstrate that aligning personality traits with professional demands, using frameworks like the Myers-Briggs Type Indicator and the five-factor model, enhances job satisfaction and retention in public accounting, suggesting that a competency-based pathway, with its focus on practical training, better prepares students' career fit than the traditional 150-credit-hour requirement.

Furthermore, respondent support for standardized assessments (54%) and consistent state regulations (67%) underscores the need for fairness and mobility, which, alongside high motivation to pursue CPA licensure (56% very likely), suggests that addressing these concerns could expand the candidate pool (The Center for Audit Quality, 2023).

Limitations include the low response rate (11.6%), which may reflect self-selection among highly motivated students, and the single institution focus, which may limit generalizability. Future research should explore employer and practitioner perspectives, particularly regarding the 150-hour requirement, and compare student attitudes across diverse institutions. Open-ended responses that emphasize practical experience over formal education suggest a need to balance academic and experiential learning in accounting programs, aligning with the pathway's goals and industry needs.

ENDNOTES

1. Except where explicitly indicated, analytical results in this work are sourced from our survey of 76 accounting majors at a southern public four-year university (11.6% response rate), detailed in Appendix A.
2. As of May 31, 2025, Senate Bill 262 has passed both chambers of the Texas Legislature, with the act set to take effect on September 1, 2025, after which the Texas State Board of Public Accountancy will adopt implementation rules (<https://www.cfodive.com/news/texas-passes-cpa-law-lower-licensure-barrier-gains-steam-accounting-talent-shortage/746437/>). At least 11 states in the U.S. have recently passed new legislation that removes the 150-hour college credit hurdle to CPA licensure as of May 2025.

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APPENDIX 1: SURVEY QUESTIONNAIRE

Survey Questionnaire: Understanding Undergraduate Accounting Students' Perspectives on the Proposed CPA Competency-Based Experience Pathway

Purpose: This survey aims to gather insights from undergraduate accounting students regarding their opinions, plans, and perspectives on the proposed CPA Competency-Based Experience Pathway by American Institute of Certified Public Accountants (AICPA) and National Association of State Boards of Accountancy (NASBA).

The Competency-Based Experience Pathway differs from the existing Option 1 and Option 2 in obtaining the equivalency of 150 credit hours for CPA licensure primarily in how candidates fulfill educational requirements and demonstrate their readiness for licensure.

- **Option 1:** Candidates earn a bachelor's degree, a master's degree, complete one year of experience, and pass the CPA exam.
- **Option 2:** Candidates earn a bachelor's degree, complete at least 30 credit hours (typically post-bachelor's coursework), complete one year of experience, and pass the CPA exam.
- **Proposed Competency-Based Experience Pathway:** Instead of pursuing a master's degree or additional post-bachelor's credits, candidates follow a competency-based approach where they demonstrate professional and technical competencies during employment in fields like industry, government, or academia. The required competencies are validated by a CPA evaluator, and candidates must still complete one year of general experience and pass the CPA exam.

exam. This pathway allows for more flexibility by focusing on practical experience and competency demonstration rather than formal education credits beyond the bachelor's degree.

The main distinction of the proposed Competency-Based Experience Pathway is that it provides an alternative for candidates to qualify based on work-related competencies rather than earning additional academic coursework.

Your responses will help educators and policymakers understand student sentiments and make informed decisions.

A copy of the AICPA and NASBA's proposed draft of the CPA Competency-Based Experience Pathway is attached to this survey.

Section A: Demographic Information

1. Age:

- Under 18
- 18-20
- 21-23
- 24-26
- 27 or older

2. Gender:

- Male
- Female
- Non-binary/Third gender
- Prefer not to say

3. Ethnicity (Optional):

- African American/Black
- Asian/Pacific Islander
- Caucasian/White
- Hispanic/Latino
- Native American
- Other (Please specify): _____
- Prefer not to say

Section B: Academic Information

4. Number of accounting credit hours earned

- 3 - 6 accounting credit hours
- 9 - 15 accounting credit hours
- 18 - 30 or more accounting credit hours

5. Current GPA:

- Below 2.0
- 2.0 - 2.49
- 2.5 - 2.99
- 3.0 - 3.49
- 3.5 - 4.0
- Prefer not to say

Section C: Employment Status

6. Current Employment Status:

- Not employed
- Part-time employment
- Full-time employment
- Internship/Co-op
- Volunteer work in accounting-related fields

7. If employed, how many hours do you work per week on average?

- Less than 10 hours
- 10-20 hours
- 21-30 hours
- 31-40 hours
- More than 40 hours
- Not employed

8. In which technical area(s) are you currently working or have experience? (Select all that apply)

- Audit and Assurance
- Taxation
- Business and Financial Reporting
- Management Advisory
- Financial Advisory
- Consulting
- Other (Please specify): _____
- Not employed

Section D: Awareness and Understanding of the Proposed Pathway

9. Before this survey, were you aware of the proposed CPA Competency-Based Experience Pathway by AICPA and NASBA?

- Yes
- No

10. How well do you understand the key components of the proposed pathway?

- Not at all
- Slightly
- Moderately
- Very well
- Completely

11. Which aspect of the proposed pathway interests you the most? (Select one)

- Flexibility in meeting licensure requirements
- Emphasis on competency over credit hours
- Opportunity to gain practical experience
- Cost and time savings by potentially not needing a master's degree
- Other (Please specify): _____

Section E: Educational Plans and Perspectives

12. **How likely are you to pursue a CPA licensure in the future?**

- Not at all
- Slightly
- Moderately
- Very likely

Please explain your reasoning for your answer above.

Open-ended response: _____

13. **Do you believe that a Master of Accountancy degree is important for long-term career success in accounting?**

- Strongly agree
- Agree
- Neutral
- Disagree
- Strongly disagree

Please explain your reasoning for your answer above.

Open-ended response: _____

Section F: Opinions on the Proposed CPA Competency-Based Experience Pathway

14. **If the Competency-Based Experience Pathway becomes available, how likely would this influence your decision to pursue a CPA licensure?**

- Very likely
- Likely
- Undecided
- Unlikely
- Very unlikely

15. **What do you perceive as the main benefits of the proposed pathway? (Select up to three)**

- Reduced financial burden by potentially eliminating the need for additional credit hours
- Flexibility in gaining experience in various technical areas
- Faster route to CPA licensure
- Emphasis on practical competencies over academic coursework
- Increased accessibility for those facing time constraints
- Other (Please specify): _____

16. **What concerns do you have about the proposed pathway? (Select all that apply)**

- Acceptance by employers
- Quality and rigor compared to traditional pathways
- Lack of networking opportunities provided by master's programs
- Potential changes in state regulations
- Uncertainty about how competencies will be evaluated
- Other (Please specify): _____
- No concerns

17. **How important are the following professional competencies to you? (Rate each from 1 to 5, where 1 = Not important, 5 = Extremely important)**

- a. Ethical behavior: [1] [2] [3] [4] [5]
- b. Critical thinking and professional skepticism: [1] [2] [3] [4] [5]
- c. Communication skills: [1] [2] [3] [4] [5]
- d. Collaboration, teamwork, and leadership: [1] [2] [3] [4] [5]
- e. Self-management and continuous learning: [1] [2] [3] [4] [5]
- f. Business acumen: [1] [2] [3] [4] [5]
- g. Technology mindset: [1] [2] [3] [4] [5]

19. Which technical competency area are you most interested in developing?

- Audit and Assurance
- Tax
- Business and Financial Reporting
- Other (Please specify): _____

Section G: Future Career Plans

19. What accounting fields are you interested in pursuing as your primary career focus? Regardless of if you are pursuing a CPA licensure or not. (Select all that apply.)

- Public accounting
- Corporate accounting/Industry
- Government accounting
- Academia/Teaching
- Consulting
- Entrepreneurship
- Other (Please specify): _____

20. Are you considering obtaining additional certifications in the future? (Select all that apply.)

- Certified Management Accountant (CMA)
- Certified Internal Auditor (CIA)
- Chartered Financial Analyst (CFA)
- Certified Fraud Examiner (CFE)
- Other (Please specify): _____
- Not considering additional certifications

Section H: Additional Questions Based on the Proposal Analysis

21. How significant is the cost of additional education (e.g., master's program) in your decision-making process regarding CPA licensure?

- a. Extremely significant
- b. Very significant
- c. Moderately significant
- d. Slightly significant
- e. Not significant at all

22. How confident are you in your ability to locate a CPA Evaluator to fairly assess and certify your competencies?

- a. Very confident
- b. Somewhat confident
- c. Neutral
- d. Slightly confident
- e. Not confident at all

23. Would you prefer a more standardized method of competency assessment rather than relying on individual evaluators?

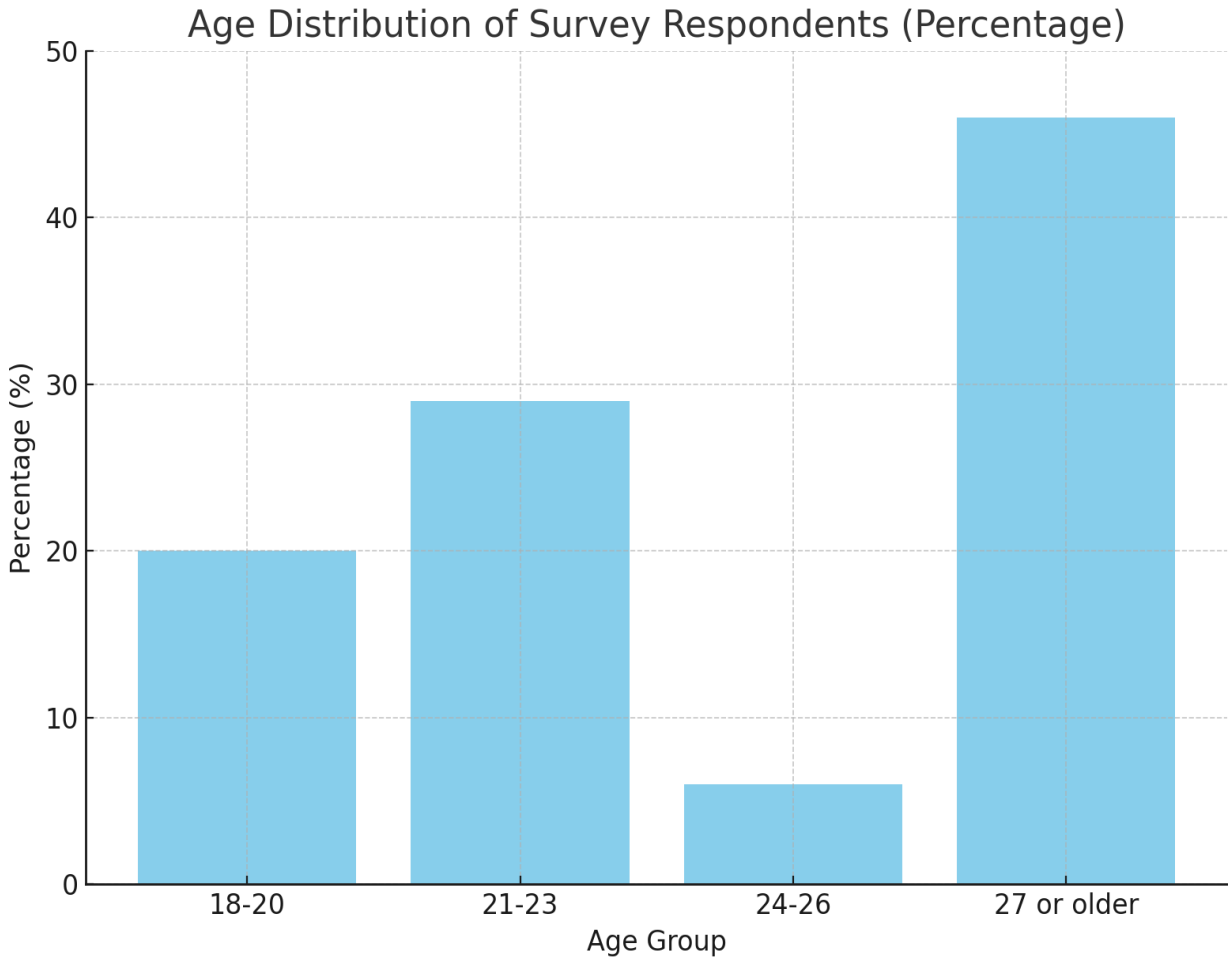
- a. Yes
- b. No
- c. Indifferent

24. How important is it for you that the pathway to CPA licensure is consistent across all states?

- a. Extremely important
- b. Very important
- c. Moderately important
- d. Slightly important
- e. Not important at all

APPENDIX 2: SURVEY RESULTS

1. Age



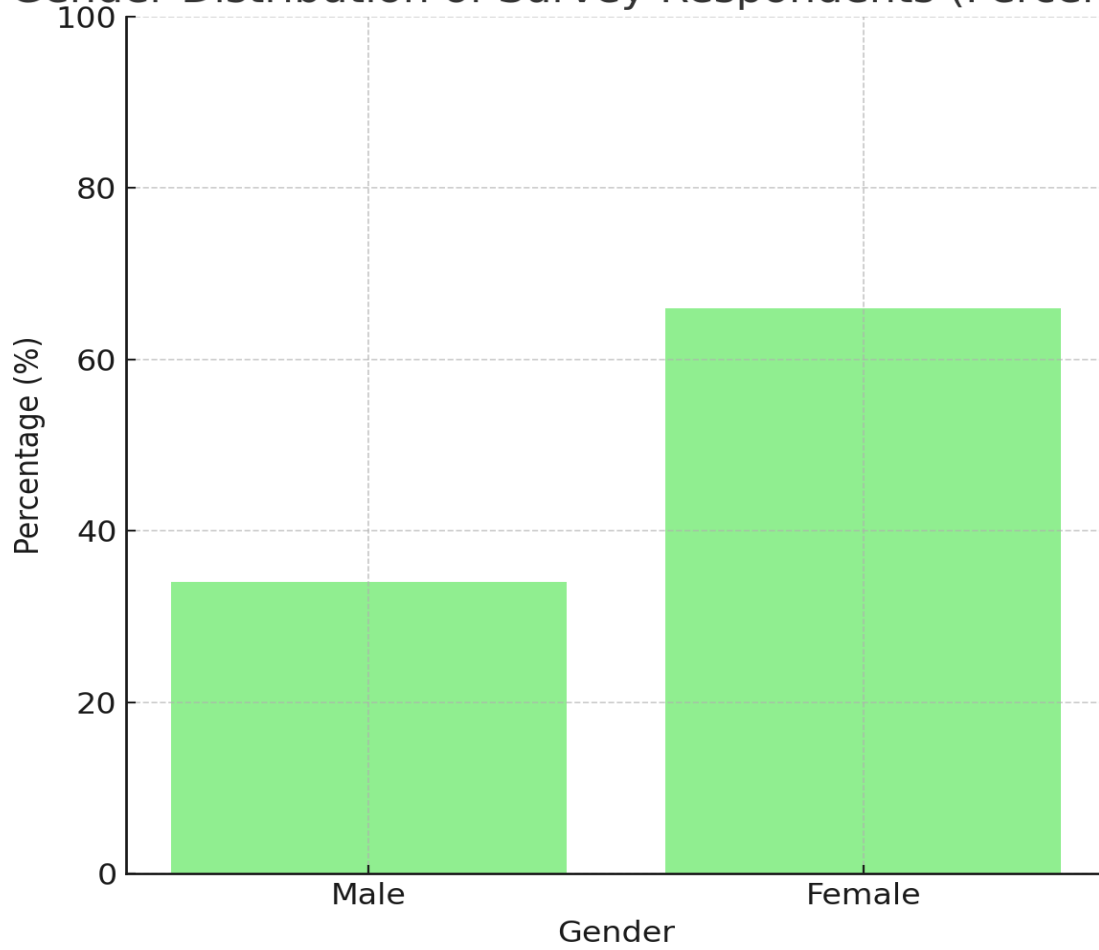
Descriptive Analysis - Age Distribution

The survey had 70 respondents, with the following age distribution:

- 18-20 years: 14 respondents (20%)
- 21-23 years: 20 respondents (29%)
- 24-26 years: 4 respondents (6%)
- 27 or older: 32 respondents (46%)

2. Gender

Gender Distribution of Survey Respondents (Percentage)

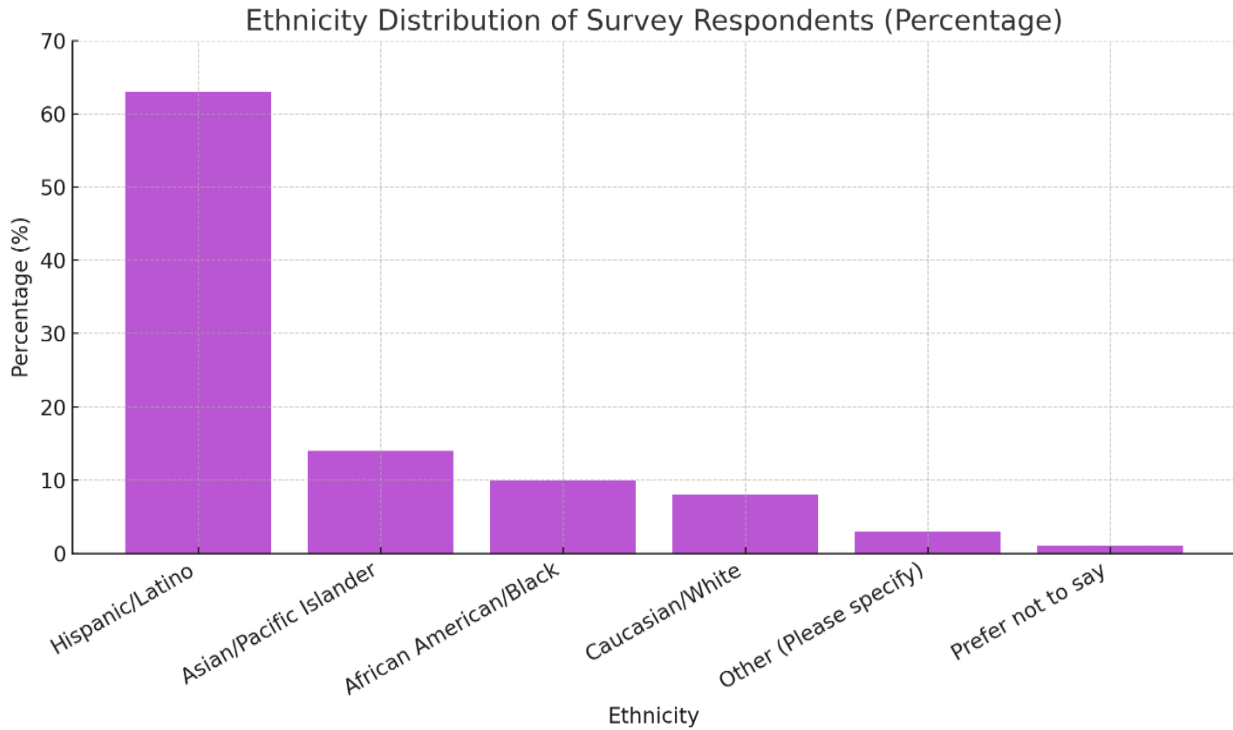


Descriptive Analysis - Gender Distribution

The survey had 70 respondents, with the following gender distribution:

- Male: 24 respondents (34%)
- Female: 46 respondents (66%)

3. Ethnicity

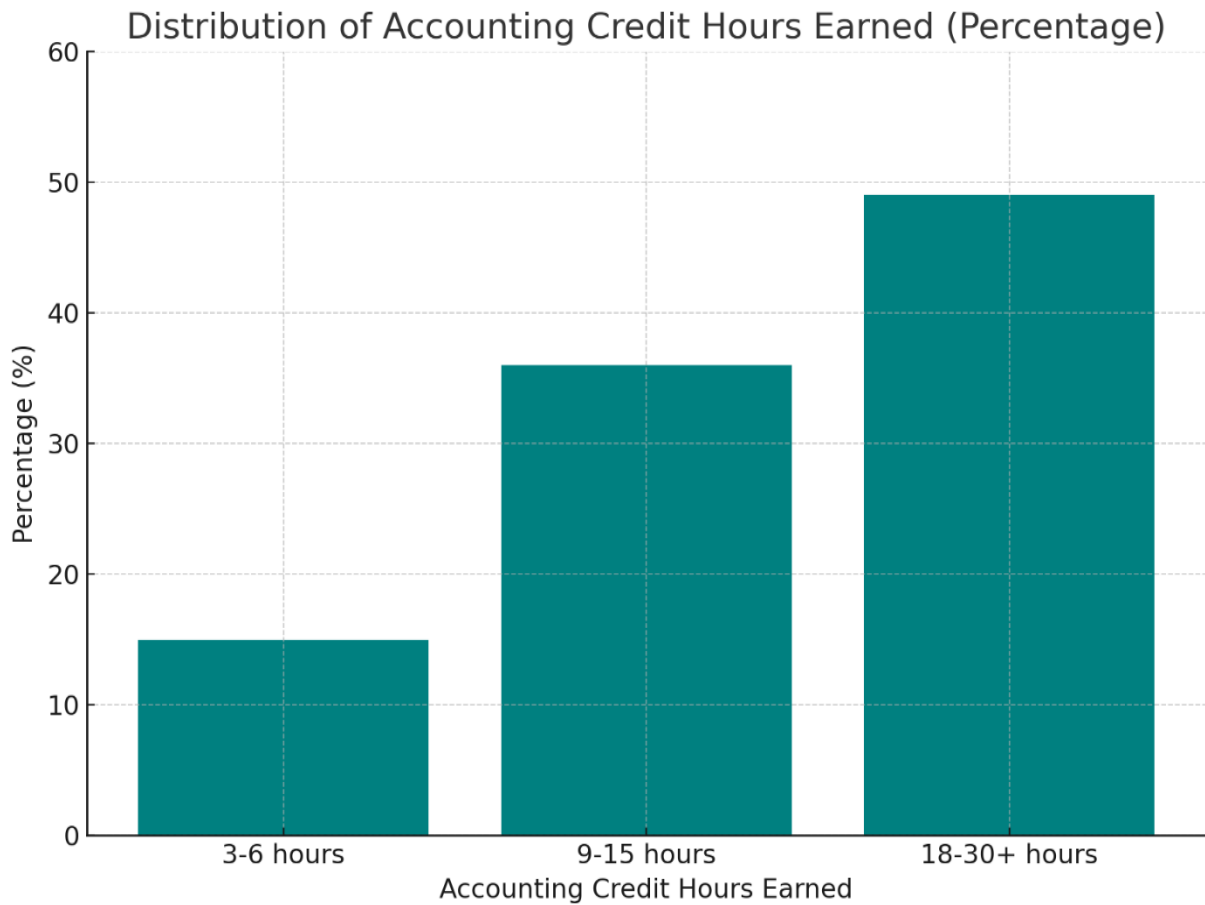


Descriptive Analysis - Ethnicity Distribution

The survey had 71 respondents, with the following ethnicity distribution

- Hispanic/Latino: 45 respondents (63%)
- Asian/Pacific Islander: 10 respondents (14%)
- African American/Black: 7 respondents (10%)
- Caucasian/White: 6 respondents (8%)
- Other (Please specify): 2 respondents (3%)
- Prefer not to say: 1 respondent (1%)

4. Number of accounting credit hours earned



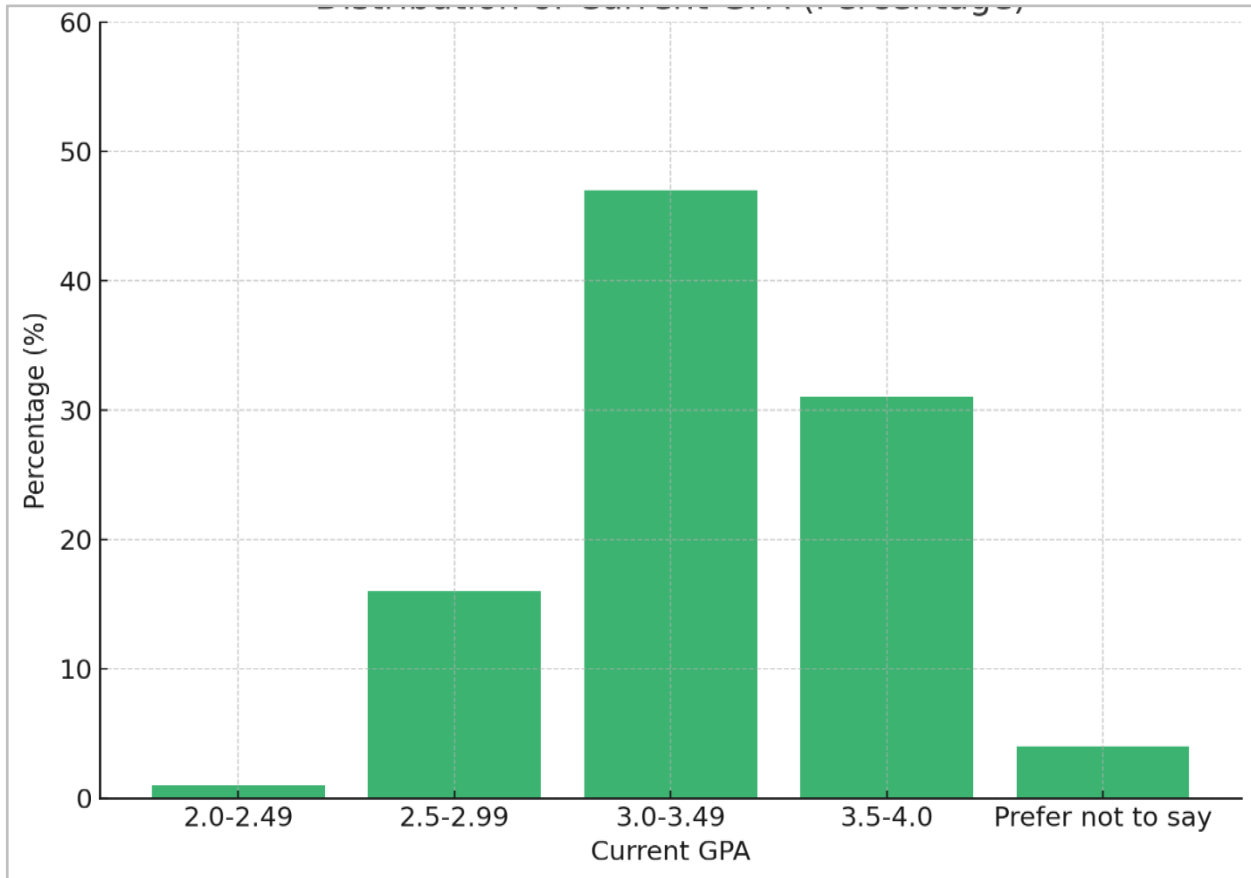
Descriptive Analysis – Number of Accounting Credit Hours Earned

The survey had 67 respondents, with the following distribution of accounting credit hours earned:

- 3–6 accounting credit hours: 10 respondents (15%)
- 9–15 accounting credit hours: 24 respondents (36%)
- 18–30 or more accounting credit hours: 33 respondents (49%)

5.Current GPA

DISTRIBUTION OF CURRENT GPA (PERCENTAGE)

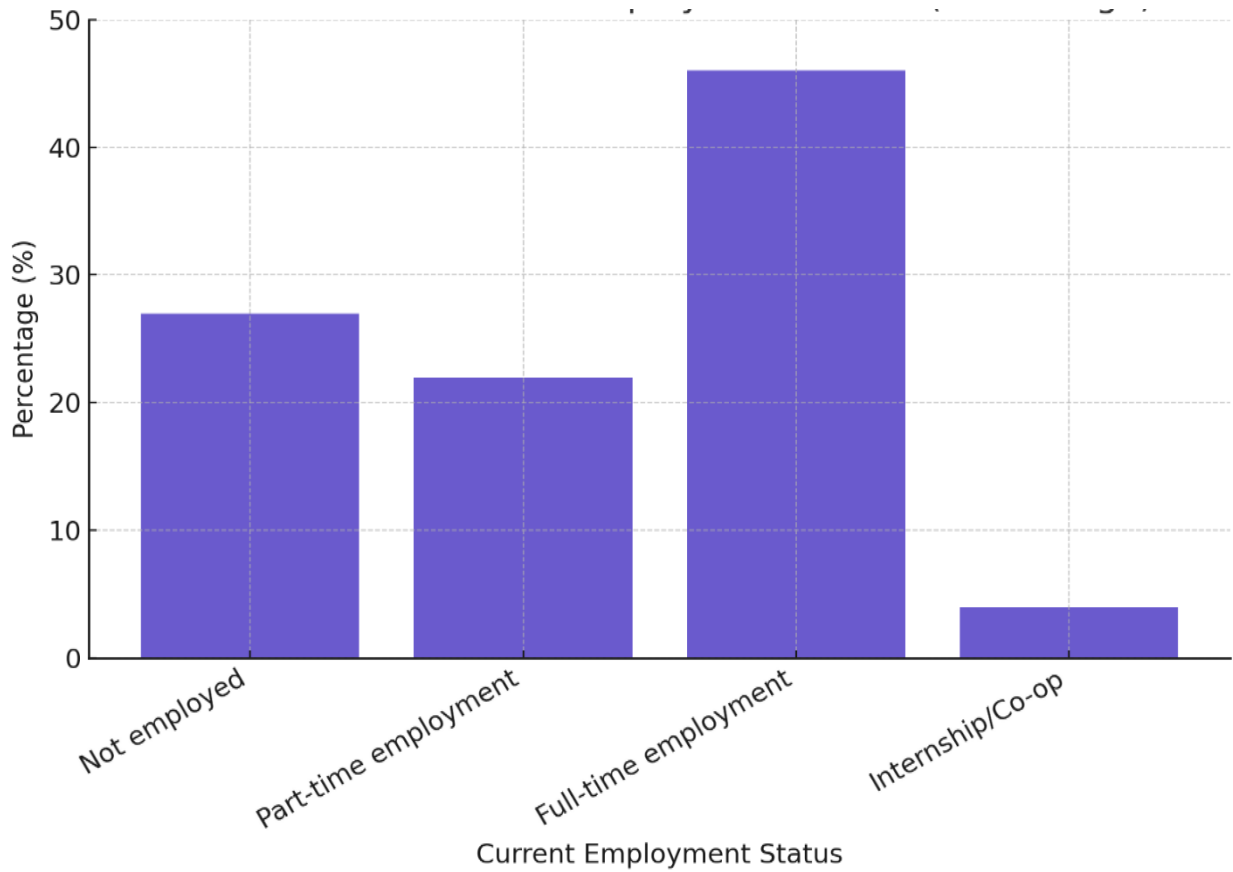


Descriptive Analysis – Current GPA

The survey had 68 respondents, with the following distribution of the respondents' current GPA:

- 2.0–2.49 GPA: 1 respondent (1%)
- 2.5–2.99 GPA: 11 respondents (16%)
- 3.0–3.49 GPA: 32 respondents (47%)
- 3.5–4.0 GPA: 21 respondents (31%)
- Prefer not to say: 3 respondents (4%)

6. Current Employment Status

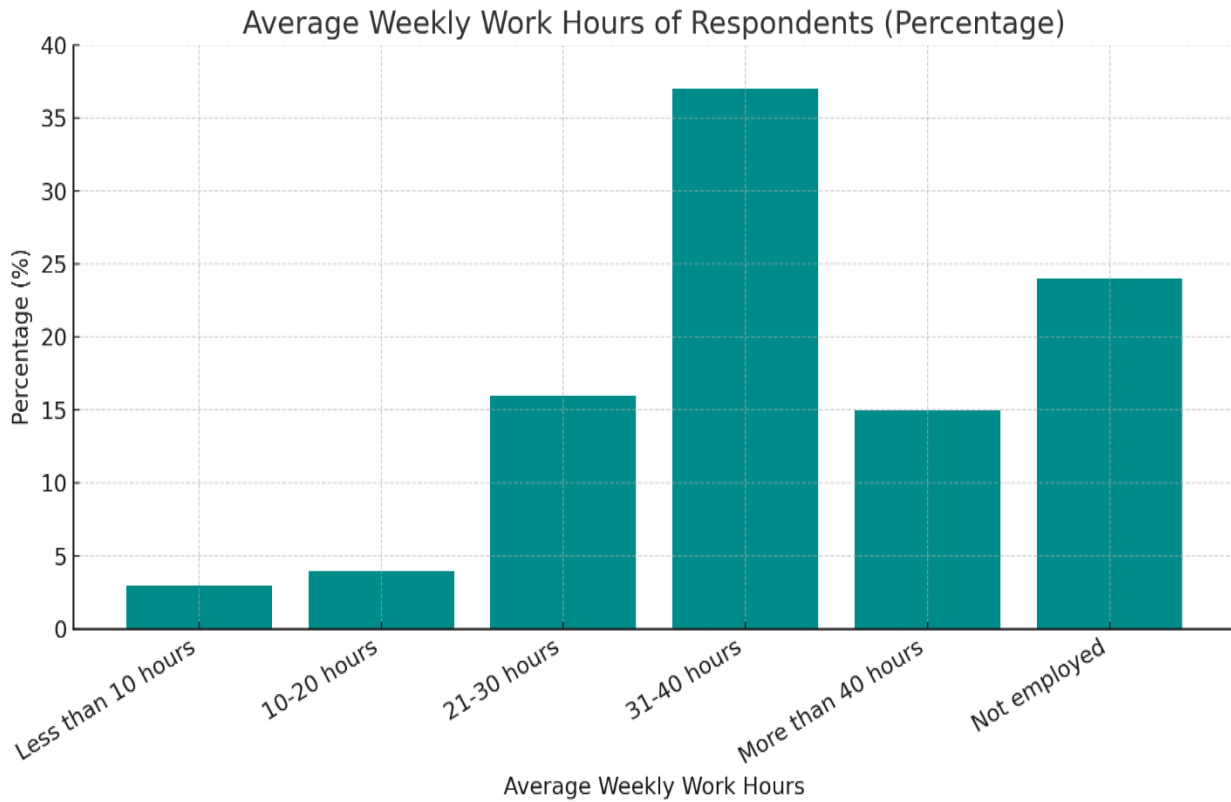


Descriptive Analysis – Current Employment Status

The survey had 67 respondents with the following distribution of employment status

- Not employed: 18 respondents (27%)
- Part-time employment: 15 respondents (22%)
- Full-time employment: 31 respondents (46%)
- Internship/Co-op: 3 respondents (4%)

7. If employed, how many hours do you work per week on average?

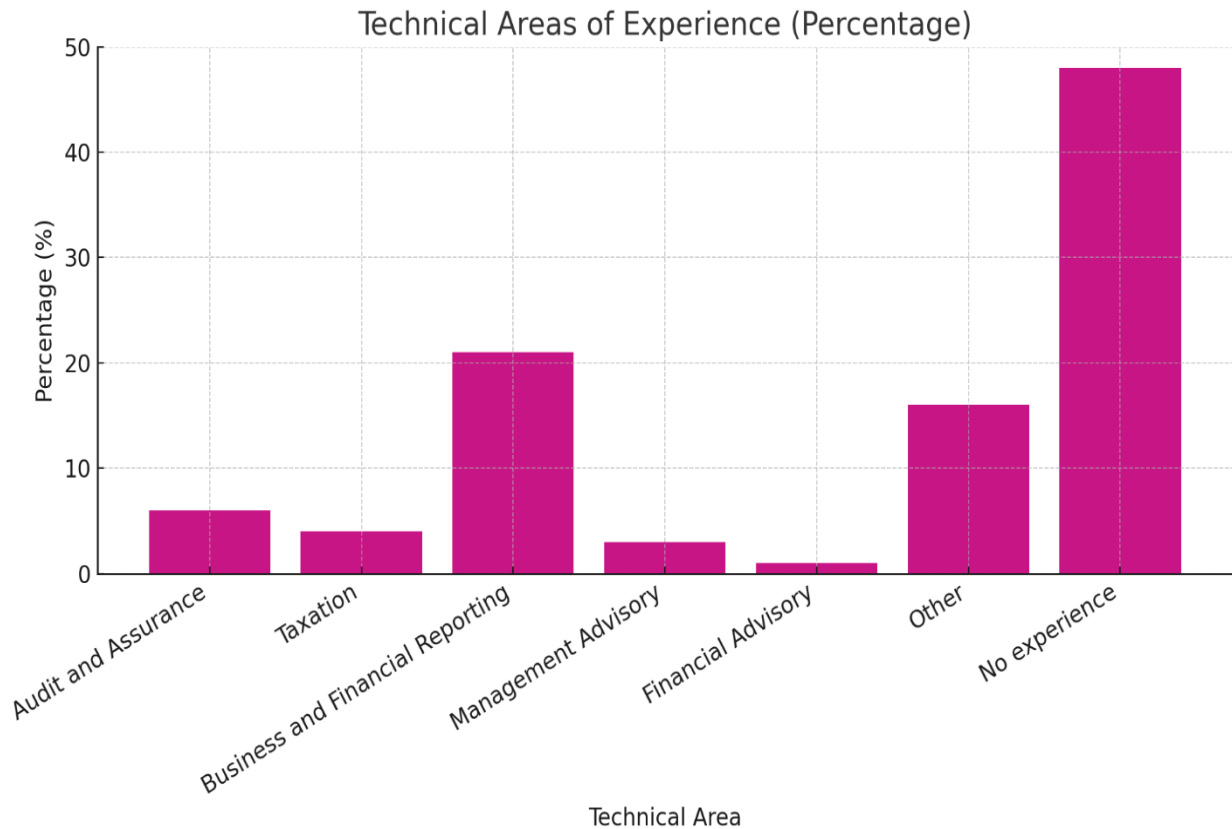


Descriptive Analysis – Average Weekly Work Hours

The survey had 67 respondents and their average weekly work hours are distributed as follows

- Less than 10 hours: 2 respondents (3%)
- 10–20 hours: 3 respondents (4%)
- 21–30 hours: 11 respondents (16%)
- 31–40 hours: 25 respondents (37%)
- More than 40 hours: 10 respondents (15%)
- Not employed: 16 respondents (24%)

8. In which technical area(s) are you currently working or have experience? (Select all that apply)



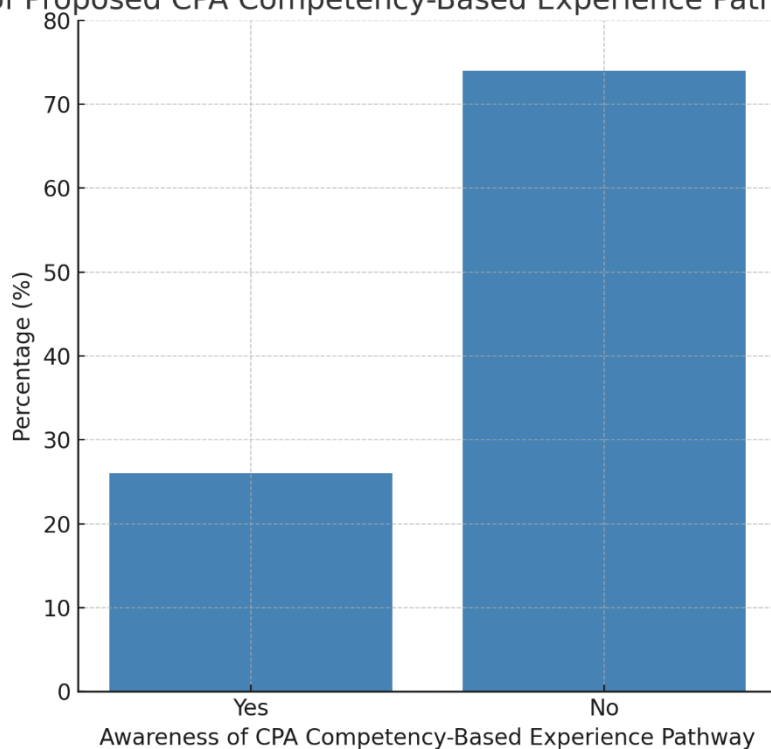
Descriptive Analysis – Technical Areas of Experience

The survey had 67 respondents, with the following distribution of the respondents' technical area experience:

- Audit and Assurance: 4 respondents (6%)
- Taxation: 3 respondents (4%)
- Business and Financial Reporting: 14 respondents (21%)
- Management Advisory: 2 respondents (3%)
- Financial Advisory: 1 respondent (1%)
- Other (Please specify): 11 respondents (16%)
- No experience: 32 respondents (48%)

9. Before this survey, were you aware of the proposed CPA Competency-Based Experience Pathway by AICPA and NASBA?

Awareness of Proposed CPA Competency-Based Experience Pathway (Percentage)



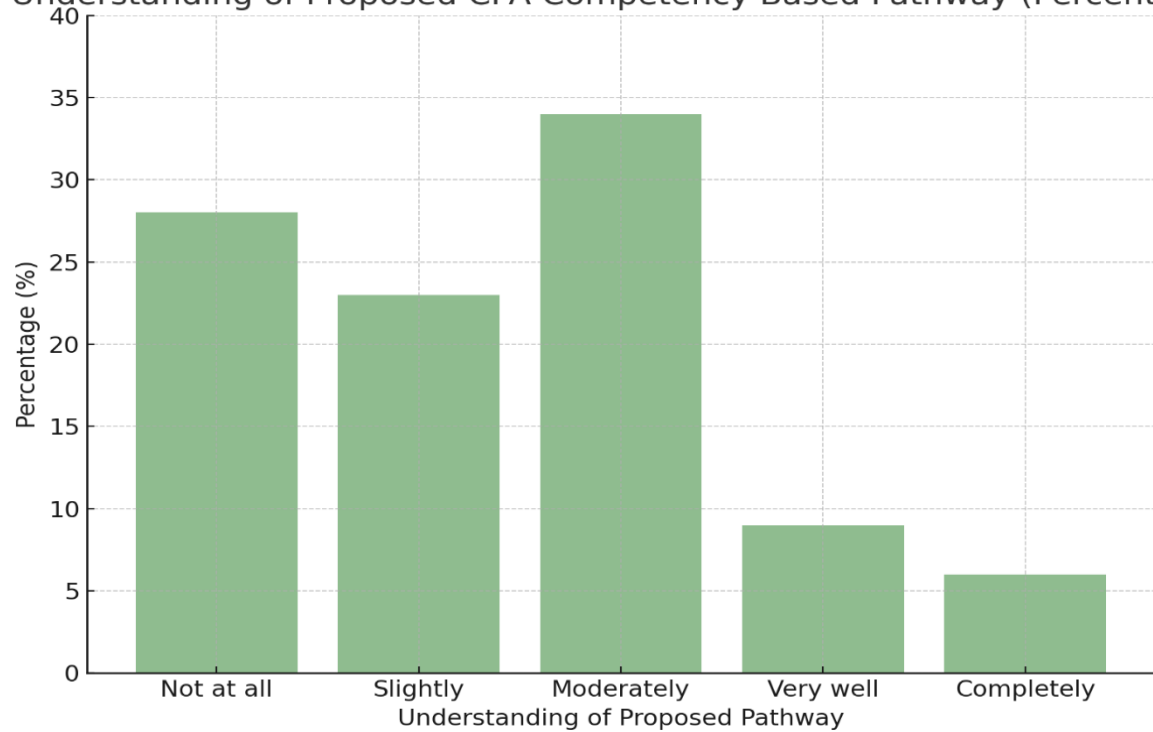
Descriptive Analysis – Awareness of CPA Competency-Based Experience Pathway

The survey had 65 respondents, and their awareness is as follows:

- Yes: 17 respondents (26%)
- No: 48 respondents (74%)

10. How well do you understand the key components of the proposed pathway?

Understanding of Proposed CPA Competency-Based Pathway (Percentage)

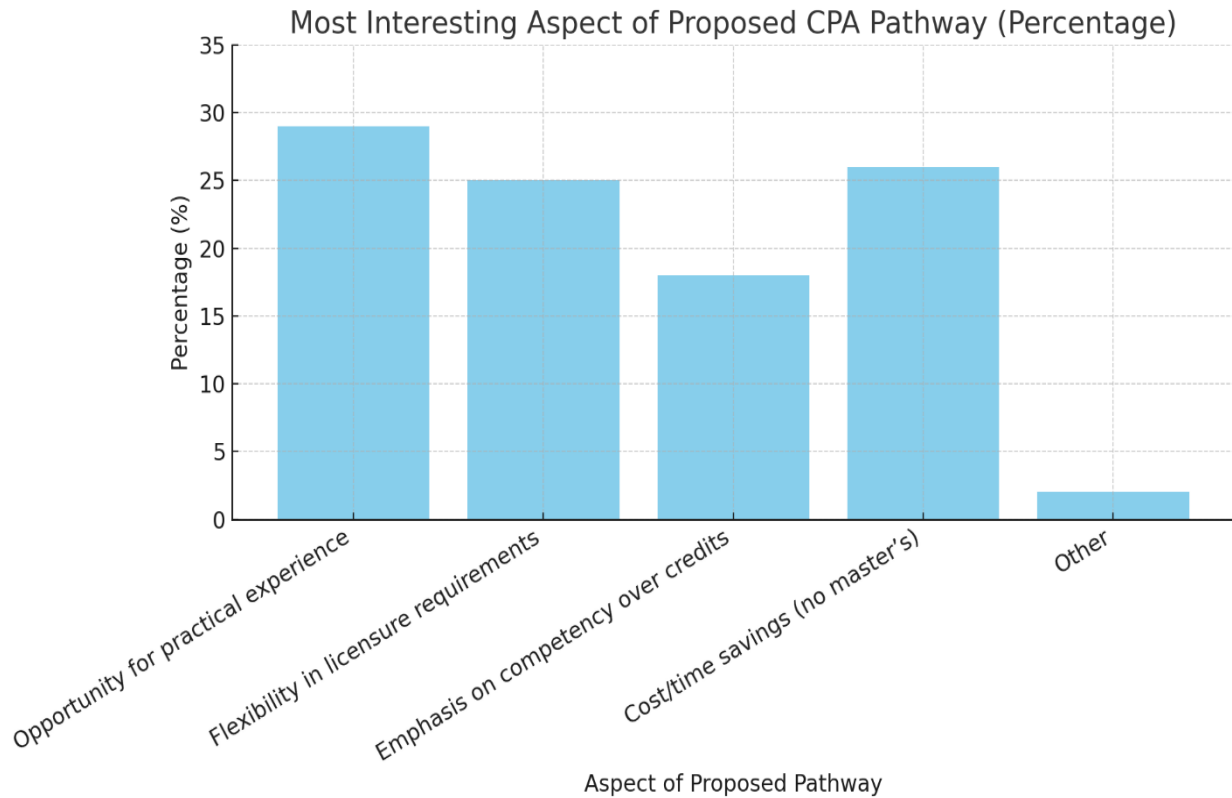


Descriptive Analysis – Understanding of Proposed CPA Competency-Based Pathway

The survey had 65 respondents and their self-reported understanding is as follows:

- Not at all: 18 respondents (28%)
- Slightly: 15 respondents (23%)
- Moderately: 22 respondents (34%)
- Very well: 6 respondents (9%)
- Completely: 4 respondents (6%)

11. Which aspect of the proposed pathway interests you the most? (Select one)

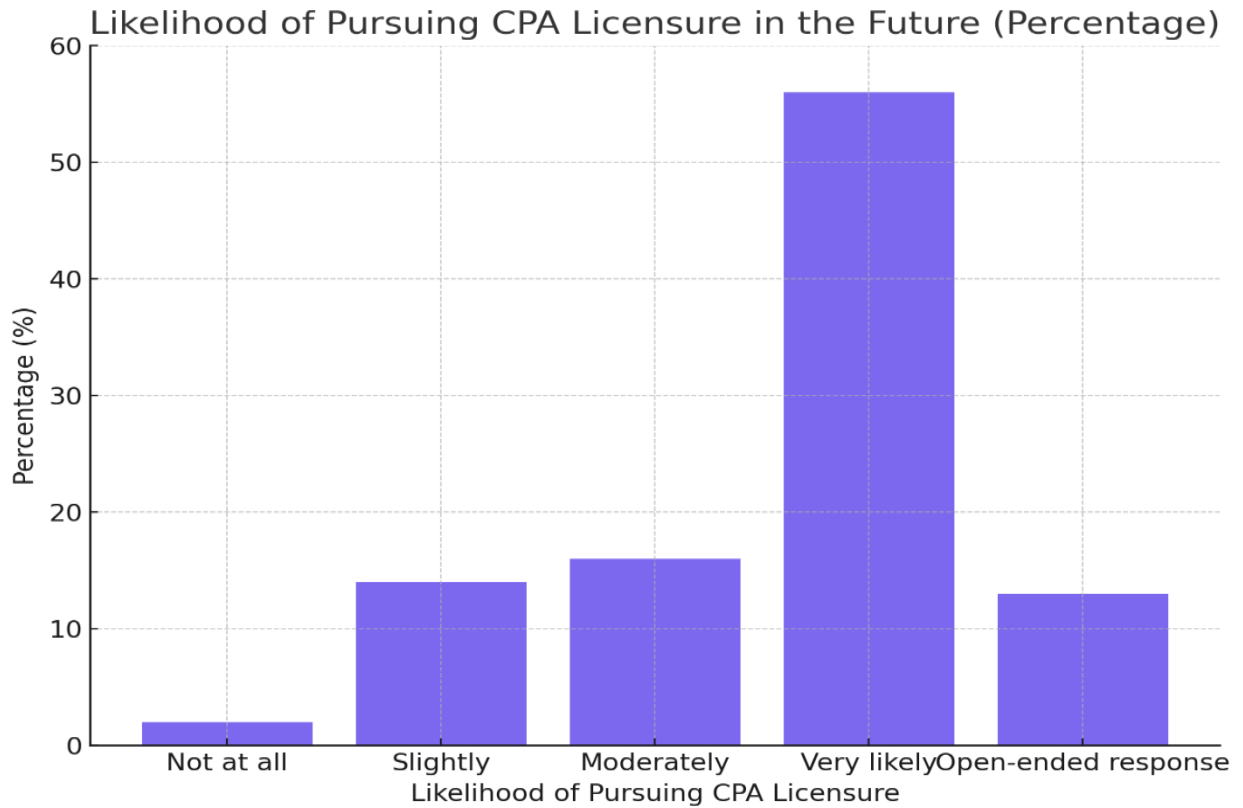


Descriptive Analysis – Most Interesting Aspect of Proposed Pathway

The survey had 65 respondents and their selections are as follows:

- Opportunity to gain practical experience: 19 respondents (29%)
- Flexibility in meeting licensure requirements: 16 respondents (25%)
- Emphasis on competency over credit hours: 12 respondents (18%)
- Cost and time savings by potentially not needing a master's degree: 17 respondents (26%)
- Other (Please specify): 1 respondent (2%)

12. How likely are you to pursue a CPA licensure in the future?

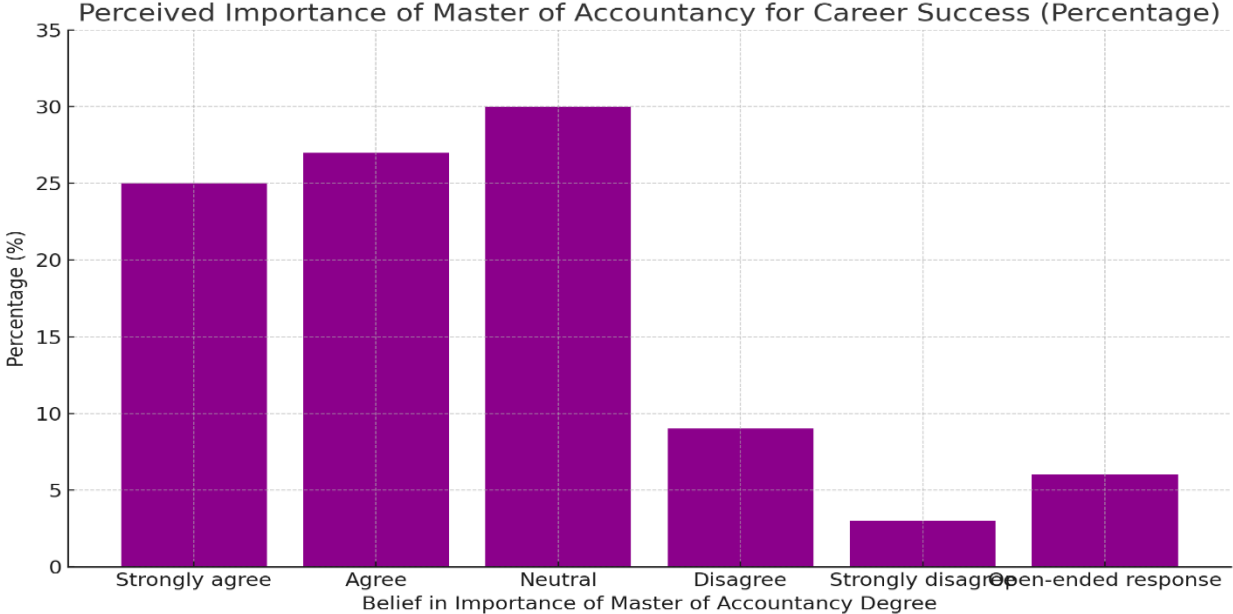


Descriptive Analysis – Likelihood of Pursuing CPA Licensure

The survey had 64 respondents and their likelihood of pursuing CPA licensure is as follows:

- Not at all: 1 respondent (2%)
- Slightly: 9 respondents (14%)
- Moderately: 10 respondents (16%)
- Very likely: 36 respondents (56%)
- Open-ended response: 8 respondents (13%)

13. Do you believe that a Master of Accountancy degree is important for long-term career success in accounting?



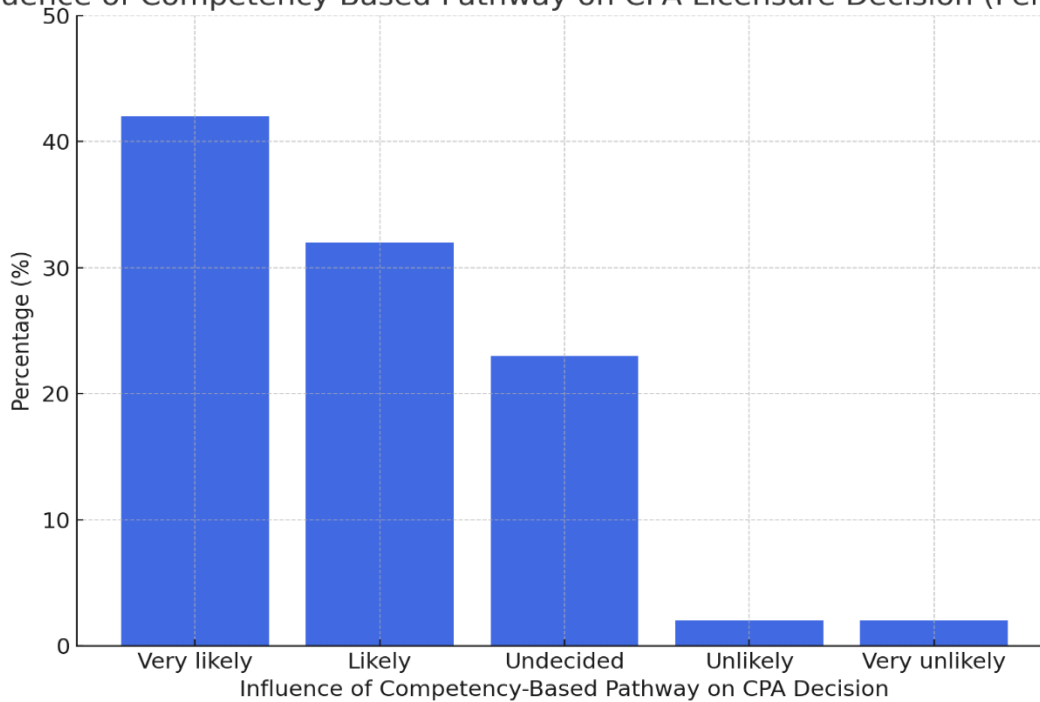
Descriptive Analysis – Importance of Master of Accountancy Degree

The survey had 64 respondents and their views are as follows:

- Strongly agree: 16 respondents (25%)
- Agree: 17 respondents (27%)
- Neutral: 19 respondents (30%)
- Disagree: 6 respondents (9%)
- Strongly disagree: 2 respondents (3%)
- Open-ended response: 4 respondents (6%)

14. If the Competency-Based Experience Pathway becomes available, how likely would this influence your decision to pursue a CPA licensure?

Influence of Competency-Based Pathway on CPA Licensure Decision (Percentage)

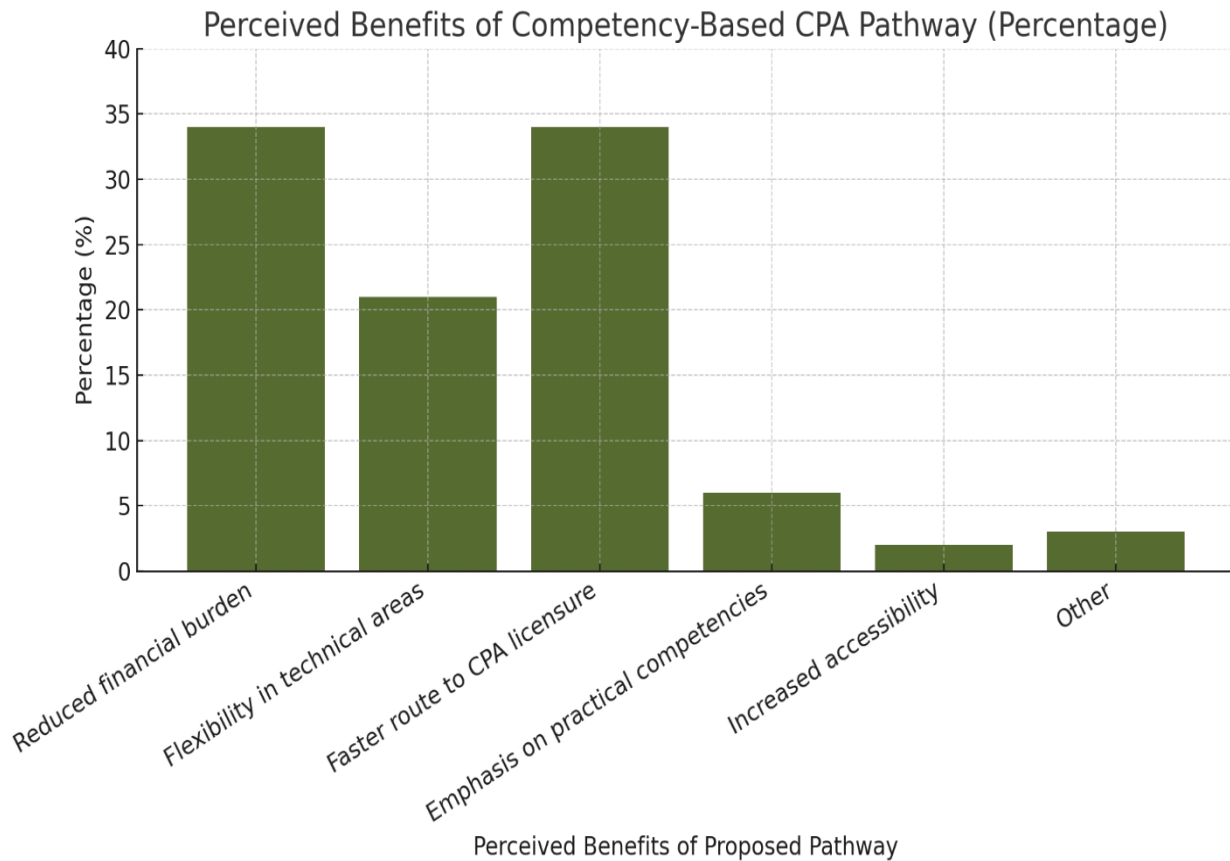


Descriptive Analysis – Influence of Competency-Based Experience Pathway on CPA Licensure Decision

The survey had 62 respondents and their views are as follows:

- Very likely: 26 respondents (42%)
- Likely: 20 respondents (32%)
- Undecided: 14 respondents (23%)
- Unlikely: 1 respondent (2%)
- Very unlikely: 1 respondent (2%)

15. What do you perceive as the main benefits of the proposed pathway? (Select up to three)

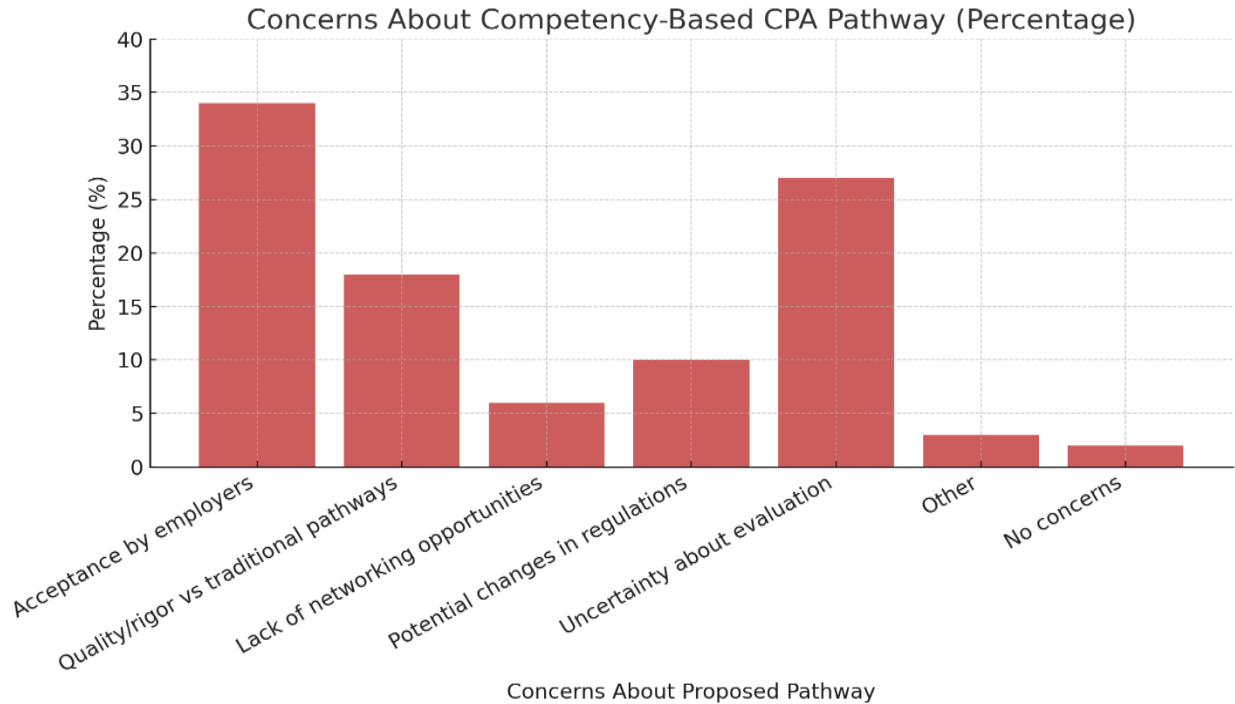


Descriptive Analysis – Perceived Benefits of Proposed Pathway

The survey had 62 respondents and their selected benefits are as follows:

- Reduced financial burden by potentially eliminating the need for additional credit hours: 21 respondents (34%)
- Flexibility in gaining experience in various technical areas: 13 respondents (21%)
- Faster route to CPA licensure: 21 respondents (34%)
- Emphasis on practical competencies over academic coursework: 4 respondents (6%)
- Increased accessibility for those facing time constraints: 1 respondent (2%)
- Other (Please specify): 2 respondents (3%)

16. What concerns do you have about the proposed pathway? (Select all that apply)

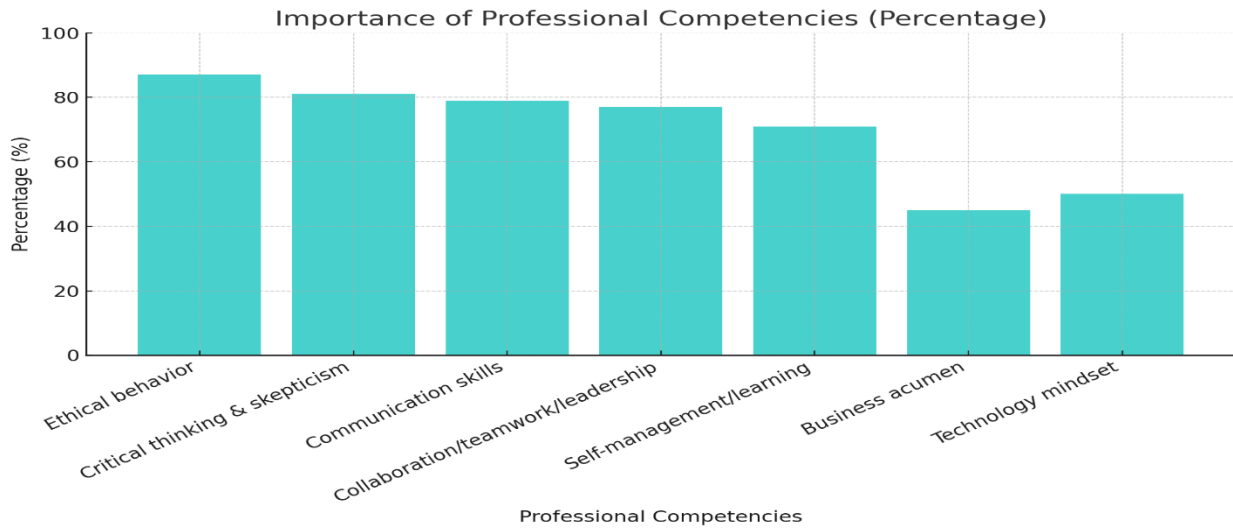


Descriptive Analysis – Concerns About Proposed Pathway

The survey had 62 respondents and their selected concerns are as follows:

- Acceptance by employers: 1 respondents (34%)
Quality and rigor compared to traditional pathways: 11 respondents (18%)
- Lack of networking opportunities provided by master's programs: 4 respondents (6%)
- Potential changes in state regulations: 6 respondents (10%)
- Uncertainty about how competencies will be evaluated: 17 respondents (27%)
- Other (Please specify): 2 respondents (3%)
- No concerns: 1 respondent (2%)

17. How important are the following professional competencies to you? (Please choose all apply for you)

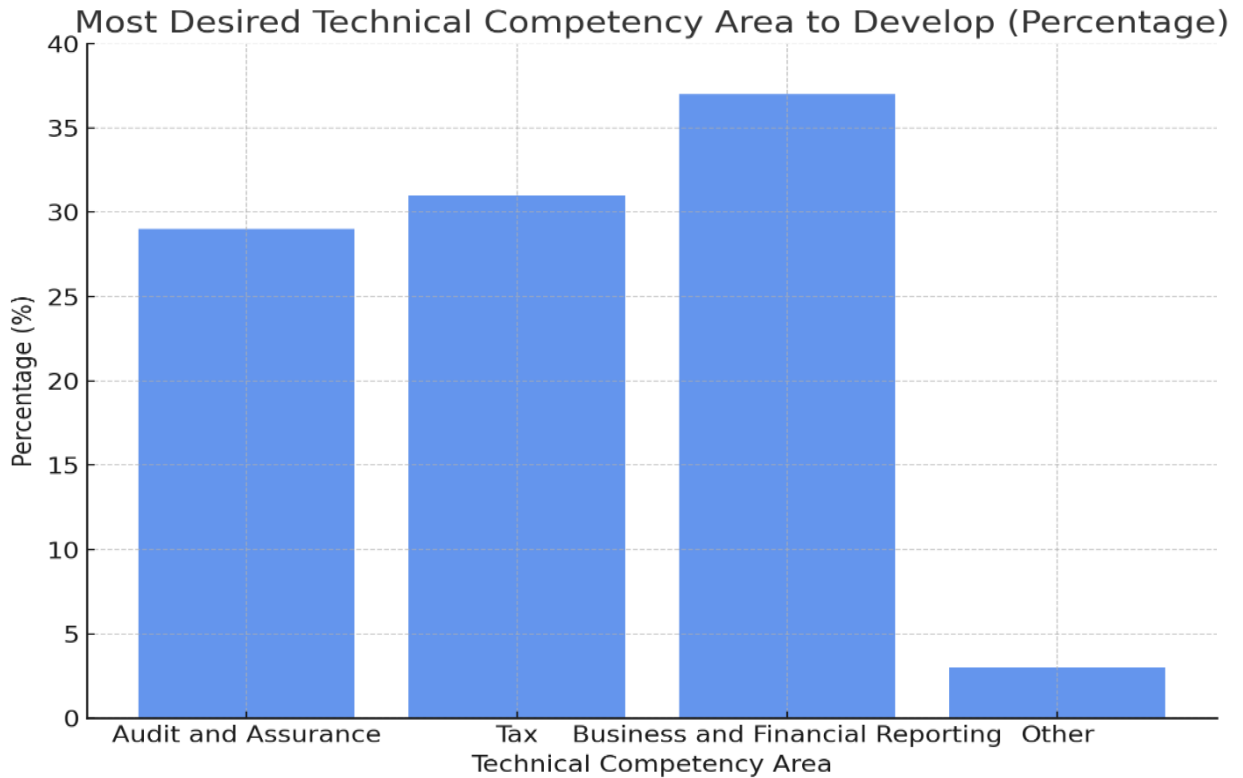


Descriptive Analysis – Importance of Professional Competencies

The survey had 62 respondents' and their selected competencies are as follows:

- Ethical behavior: 54 respondents (87%)
Critical thinking and professional skepticism: 50 respondents (81%)
- Communication skills: 49 respondents (79%)
- Collaboration, teamwork, and leadership: 48 respondents (77%)
- Self-management and continuous learning: 44 respondents (71%)
- Business acumen: 28 respondents (45%)
- Technology mindset: 31 respondents (50%)

18. Which technical competency area are you most interested in developing?

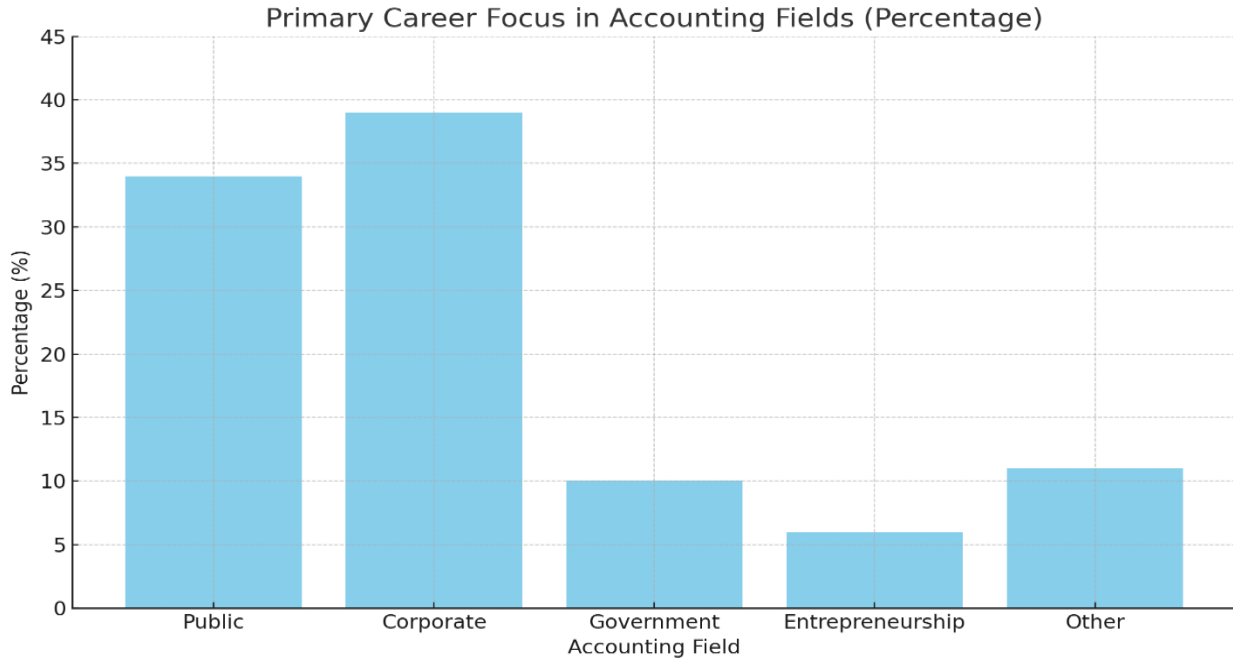


Descriptive Analysis – Most Desired Technical Competency Area to Develop

The survey had 62 respondents and their selections on technical competency areas are as follows:

- Audit and Assurance: 18 respondents (29%)
- Tax: 19 respondents (31%)
- Business and Financial Reporting: 23 respondents (37%)
- Other (Please specify): 2 respondents (3%)

19. What accounting fields are you interested in pursuing as your primary career focus? Regardless of if you are pursuing a CPA licensure or not. (Select all that apply.)



Descriptive Analysis – Primary Career Focus in Accounting Fields

The survey had 62 respondents and their selections of accounting fields are as follows:

- Public accounting: 21 respondents (34%)
- Corporate accounting/Industry: 24 respondents (39%)
- Government accounting: 6 respondents (10%)
- Entrepreneurship: 4 respondents (6%)
- Other (Please specify): 7 respondents (11%)