

KEY EMPLOYABILITY SKILLS REQUIRED OF TAX ACCOUNTANTS

LIN MEI TAN* AND FAWZI LASWAD

ABSTRACT

Over the past three decades, numerous studies have addressed the importance of generic skills and have focused on the broad category of employability skills for accountants, without differentiating between the various types of occupations within the accounting profession. As an extension and contribution to this literature, this study examines the key employability competencies or skills required by employers of tax accountants. We conducted a content analysis of skills specified in job advertisements over a 12-month period in Australia and New Zealand. The results show that personal and interpersonal skills were the most frequently mentioned in advertisements for tax accountants. These findings are generally consistent with prior studies, and tax educators should continuously consider ways to help graduates develop these skills.

Keywords: Job advertisements; Tax; Skills; Competencies.

* Corresponding author: l.m.tan@massey.ac.nz. School of Accountancy, Massey University. The authors would like to thank all the anonymous reviewers for their helpful suggestions and comments.

I INTRODUCTION

With rapid changes in digital technologies and the globalisation of economies, employers are looking for recruits who not only have technical knowledge but also possess relevant employability or non-technical skills, such as interpersonal and organisational skills.¹ Employability has therefore become an ongoing issue for several stakeholders, including governments, professional bodies, employers, educators and graduating students worldwide.²

Employability can be defined as

a set of achievements — skills, understandings and personal attributes — that makes graduates more likely to gain employment and be successful in their chosen occupations, which benefits themselves, the workforce, the community and the economy.³

At the tertiary education level, the literature on the generic employability skills expected of accounting graduates, irrespective of their speciality within the discipline (for example, taxation, audits, accounting, and so on), suggests accounting programmes are failing to meet the expectations and needs of employers.⁴

Although there is general consensus among academics that employability skills need to be developed in the curriculum,⁵ it is a challenge to identify not only what but also how to incorporate the development and assessment of a wide range of employability skills. Educators are also constrained by insufficient time available to assist students in developing these skills, as the accounting (and tax) curriculum is already crowded with the required technical content.⁶ Another constraint is the lack of expertise and resources in assisting students with skills development. Universities that prioritise recognising and rewarding research over teaching could also have an adverse effect on academics' enthusiasm in teaching and students' learning.⁷ There have been further suggestions that

¹ International Accounting Education Standards Board ('IAESB'), *International Education Standard (IES): Initial Professional Development — Professional Skills (Revised)* (2014).

² Binh Bui and Brenda Porter, 'The Expectation-Performance Gap in Accounting Education: An Exploratory Study' (2010) 19(1) *Accounting Education* 23.

³ Mantz Yorke, *Employability in Higher Education: What It Is — What It Is Not* (Higher Education Academy, 2006).

⁴ Bui and Porter (n 2); Beverley Jackling and Paul De Lange, 'Do Accounting Graduates' Skills Meet the Expectations of Employers? A Matter of Convergence or Divergence' (2009) 18(4-5) *Accounting Education* 369.

⁵ Kim Watty, 'Generic Skills within the Accounting Curriculum' in Richard Wilson (ed), *The Routledge Companion to Accounting Education* (Routledge, 2014) 276.

⁶ Greg Stoner and Margaret Milner, 'Embedding Generic Employability Skills in an Accounting Degree: Development and Impediments' in Kim Watty, Beverley Jackling and Richard Wilson (eds), *Personal Transferable Skills in Accounting Education* (Routledge, 2012) 121; Lesley Willcoxson, Monte Wynder and Gregory Laing, 'A Whole-of-Program Approach to the Development of Generic and Professional Skills in a University Accounting Program' (2010) 19(1-2) *Accounting Education* 65.

⁷ Brett Freudenberg and Lisa Samarkovski, 'Enthusiasm and the Effective Modern Academic' (2014) 56(1) *Australian Universities Review* 22.

some generic skills are best developed and applied in the workplace, rather than taught in a university environment.⁸

As it is not practical to develop and assess all generic skills, educators perhaps need to prioritise the particular skills deemed to be most important in the workplace. The workplace could be a small, medium or large firm, and different sized firms may regard certain skills as more important than others. For instance, Hayes et al found that the majority of Australian small to medium accounting ('SMA') firms placed more emphasis than larger firms on technical skills like tax knowledge and the ability to use tax software.⁹ However, no differences were found between SMA and large firms' skills expectations in a New Zealand study carried out by Lowe et al.¹⁰

Jackling and de Lange noted that, as the global economy evolves, it is essential to continuously ascertain and articulate employers' opinions on what makes graduates employable, so that educators are kept abreast of the most valued workplace skills and attributes.¹¹ However, over the past three decades, numerous studies on important generic skills have focused on a broad range of employability skills in accounting, without differentiating its disciplines or providing more information about various job occupations within one discipline, such as tax.¹² As an extension and contribution to the literature, our study focuses on the skills required of tax accountants.¹³

Tax accountants are very much in demand, as many businesses and individuals rely on them for advice on their tax matters, particularly as tax law increases in complexity.¹⁴ In the OECD report on tax administration,¹⁵ about 74 per cent of personal income tax returns and 90 per cent of corporate tax returns in Australia in 2013 were prepared with the assistance of tax professionals. Similarly, the OECD report noted that tax professionals filed about 67 per cent of personal tax returns and 75 per cent of corporate tax returns in New Zealand in 2013.

In identifying the skills required of a tax accountant in the workplace, this study provides additional insights, particularly for tax educators, into employers' demands for

⁸ Reva Brown and Sean McCartney, 'Competence Is Not Enough: Meta-Competence and Accounting Education' (1995) 4(1) *Accounting Education: An International Journal* 43; Jeanette Purcell, 'National Vocational Qualifications and Competence-Based Assessment for Technicians: From Sound Principles to Dogma' (2001) 43(1) *Education and Training* 30.

⁹ Sharon Hayes, Brett Freudenberg and Deborah Delaney, 'Role of Tax Knowledge and Skills: What Are the Graduate Skills Required by Small to Medium Accounting Firms' (2018) 13(1) *Journal of the Australasian Tax Teachers Association* 152.

¹⁰ Mary Low et al, 'Accounting Employers' Expectations — The Ideal Accounting Graduates' (2016) 10(1) *e-Journal of Business Education & Scholarship of Teaching* 36.

¹¹ Jackling and De Lange (n 4).

¹² Willcoxson, Wynder and Laing (n 6).

¹³ Accountants are involved in many different types of work, including financial accounting and reporting, management accounting, auditing and tax work. The term 'tax accountants' used in this article refers to those who are involved in tax work.

¹⁴ Lin Mei Tan, 'Taxpayers' Preference for Type of Advice from Tax Practitioner: A Preliminary Examination' (1999) 20(4) *Journal of Economic Psychology* 431; Teresa Stephenson, 'Do Clients Share Preparers' Self-Assessment of the Extent to Which They Advocate for Their Clients?' (2007) 21(4) *Accounting Horizons* 411; OECD, *Tax Administration 2015: Comparative Information on OECD and Other Advanced and Emerging Economies* (OECD Publishing, 2015).

¹⁵ OECD (n 14).

employability skills, and assists in identifying the essential skills that need to be developed in the tax curriculum. Students with an interest in tax should also be aware of the skills that are in demand, and be proactive in developing them to become employable and add value to their future employers.¹⁶ Furthermore, the findings will be of interest to accounting professional bodies, as their professional programmes are aimed at developing the skills required by employers and ensuring their new members can develop successful professional careers.

Unlike most prior studies, which use the conventional methods of focus groups, interviews and surveys,¹⁷ we conducted a comprehensive content analysis of job advertisements, as they provide useful information about employers' demands for skills and competencies when recruiting staff for tax work. As indicated by Kennan et al, they provide a window to the skills that employers are looking for, and those skills they believe are needed for the organisation to continue and thrive.¹⁸ The content analysis examined the words and phrases used in the job advertisements, thereby providing more comprehensive information about the skills employers are seeking in recruiting accountants for tax work.

This paper is organised in the following manner. The next section provides an overview of the literature on employability skills and prior research focusing on the tax discipline. This is followed by a discussion of the framework used in this study. The research method and findings are then presented, discussed and summarised. The final sections provide the implications for tax educators, the limitations of the study and the conclusion.

II LITERATURE REVIEW

A Employability skills

There is a wide range of terms and meanings used to denote employability skills, including generic skills, non-technical skills, enterprise skills, key competencies, personal transferable skills, and soft skills and attributes. They are considered relevant to both entry-level and established employees.¹⁹ For instance, employability skills have been defined as 'the non-technical skills required to effectively participate in the workplace'.²⁰ Further, Brewer points out that 'employability entails much more than the ability to get

¹⁶ See also Yorke (n 3), who also pointed out the need to 'facilitate the development in students of the understandings, skills and attributes that will help them to make a success of their careers'.

¹⁷ Jackling and De Lange (n 4); Marie Kavanagh and Lyndal Drennan, 'What Skills and Attributes Does an Accounting Graduate Need? Evidence from Student Perceptions and Employer Expectations' (2008) 48(2) *Accounting and Finance* 279; Watty, Jackling and Wilson (n 6).

¹⁸ Mary Kennan et al, 'IS Knowledge and Skills Sought by Employers: A Content Analysis of Australian IS Early Career Online Job Advertisements' (2009) 15(2) *Australasian Journal of Information Systems* 169.

¹⁹ Chartered Accountants Australia and New Zealand ('CAANZ'), *The Future of Talent: Opportunities Unlimited* (2017); 'Core Skills for Work Developmental Framework', *Department of Employment, Skills, Small and Family Business, Australian Government* (Web Page, 25 July 2019) <<https://www.employment.gov.au/core-skills-for-work-developmental-framework>>; Brendan O'Connell et al, *Shaping the Future of Accounting in Business Education in Australia* (CPA Australia, 2015); Watty, Jackling and Wilson (n 6).

²⁰ Department of Education, Employment and Workplace Relations, Australian Government, *Employability Skills Framework Stage 1 — Final Report* (2012) 2.

that first job. It is having the capacity to network and market oneself, navigate through a career and remain employable throughout life.²¹ Furthermore, skills required could be context or discipline specific, and they may change over time as the nature of work changes.

Since the mid-1980s, the literature on employability skills has expanded in many countries (for example, the UK, US, Australia and New Zealand), indicating that the issue is not particular to a single country but is a growing concern worldwide across all disciplines as employers express their desire for recruits with relevant employability skills. Tertiary education institutions in countries like Australia and New Zealand are also facing increasing pressure from the government, the funder of these institutions, to produce employable graduates.²² In New Zealand, for instance, universities are now required to provide information about where their graduates are employed and how much they are earning. This is to ensure that the skills graduates develop in tertiary education are well matched to labour market needs and therefore contribute to economic growth and improvement.²³

There are several employability skill frameworks that identify non-technical skills, which are developed by the government, business communities, professional bodies and academics. For instance, the Australian Qualifications Framework and the New Zealand Qualifications Framework provide the standards for Australian and New Zealand qualifications, and the skills required are phrased in terms of learning outcomes. Graduates with an Australian bachelor degree will have: the cognitive skills to review critically, analyse, consolidate and synthesise knowledge; the cognitive and technical skills to demonstrate a broad understanding of knowledge, with depth in some areas; the cognitive and creative skills to exercise critical thinking and judgement in identifying and solving problems with intellectual independence; and the communication skills to present a clear, coherent and independent exposition of knowledge and ideas.²⁴ Another framework, the Core Skills for Work Developmental Framework funded by the Australian government, provides some guidance in teaching employability skills in a structured manner.²⁵ It was developed with input from employers, with the intention of making more clear and explicit the non-technical skills required for successful participation in work. Ten skill areas were identified that fall under the umbrella of three skill clusters:

1. navigate the world of work (manage career and work life, work with roles, rights and protocols)
2. interact with others (communicate for work, connect and work with others, recognise and utilise diverse perspectives)

²¹ Laura Brewer, *Enhancing Youth Employability: What? Why? and How? Guide to Core Work Skills* (Skills and Employability Department, International Labour Organization, 2013).

²² Willcoxson, Wynder and Laing (n 6).

²³ See Yorke (n 3); 'Tertiary Education Strategy 2014–2019', *Ministry of Education, New Zealand Government* (Web Page, 30 January 2018) <<http://www.education.govt.nz/further-education/policies-and-strategies/tertiary-education-strategy>>.

²⁴ Australian Qualifications Framework Council, *Australian Qualifications Framework* (2nd ed, 2013) <<http://www.aqf.edu.au/wp-content/uploads/2013/05/AQF-2nd-Edition-January-2013.pdf>>.

²⁵ 'Core Skills for Work Developmental Framework' (n 19).

3. get the work done (plan and organise, make decisions, identify and solve problems, create and innovate, work in a digital world).

The New Zealand Qualifications Framework states that a graduate with a bachelor degree is able to: demonstrate intellectual independence, critical thinking and analytic rigour; engage in self-directed learning; demonstrate knowledge and skills related to the ideas, principles, concepts, chief research methods and problem-solving techniques of a recognised major subject; demonstrate the skills needed to acquire, understand and assess information from a range of sources; and demonstrate communication and collaborative skills.²⁶

The accounting professions in different countries also have their own skills frameworks. In the US, the American Institute of Certified Public Accountants ('AICPA') Core Competency Framework for entry into the accounting profession (issued in 1999) reflects a paradigm shift from a content-driven to a skills-based curriculum.²⁷ Important skills were considered under three broad categories: functional (technical); personal (values and attributes); and broad business perspectives (in both internal and external business contexts). To meet the challenges of the changing environment in which professional accountants work, the revised International Education Standard 3 ('IES 3') (*Initial Professional Development — Professional Skills*) came into effect on 1 July 2015 and expects that International Federation of Accountants member bodies design their professional accounting education programmes so that graduates achieve an intermediate level of proficiency in various professional skills.²⁸ The skills to demonstrate professional competence are considered under four broad categories: intellectual; interpersonal and communication; personal and organisational (which a professional accountant needs to integrate with technical competence); and professional values, ethics and attitudes. In this light, O'Connell et al pointed out that academics play a key role in delivering initial professional development, whereas an employer's role is to help in nurturing the professional development of accounting graduates.²⁹

In Australia and New Zealand, Birkett developed a set of competency-based standards for professional accountants, which were ultimately adopted by the major Australian and New Zealand accounting bodies (CPA Australia, Institute of Chartered Accountants in Australia and New Zealand Institute of Chartered Accountants).³⁰ Birkett's taxonomy of skills comprises two main groups: cognitive and behavioural.³¹ He identified three dimensions of cognitive skill (technical, analytic/constructive and appreciative), and a further three dimensions of behavioural skill (personal, interpersonal and organisational).³² Birkett noted that 'professional work requires action, supported by

²⁶ 'Bachelor's Degree', *New Zealand Qualifications Authority* (Web Page) <<http://www.nzqa.govt.nz/studying-in-new-zealand/understand-nz-quals/bachelors-degree>>.

²⁷ Peggy Hite and John Hasseldine, 'A Primer on Tax Education in the United States of America' (2001) 10(1) *Accounting Education* 3.

²⁸ IAESB (n 1).

²⁹ O'Connell et al (n 19).

³⁰ William Birkett, *Competency Based Standards for Professional Accountants in Australia and New Zealand* (Australian Society of Certified Practising Accountants, Institute of Chartered Accountants in Australia and the New Zealand Society of Accountants, 1993).

³¹ *Ibid.*

³² See Section III for further discussions of these skills.

decision processes; it involves the exercise of instrumental skills, supported by intellectual skills'.³³ He suggested that both cognitive and behavioural skills are likely to parallel typical patterns of career progression — with technical and personal skills drawn on initially, then analytic/constructive and interpersonal skills, with appreciative and organisational skills coming to the fore at more advanced career stages.

However, prior studies on the important employability skills required of accounting graduates do not always adopt a skills framework. Many studies on skills examine diverse groups, such as academics/educators, employers, professional accounting bodies and students/graduates.³⁴ Data about skills is normally collected from focus groups, interviews, or postal/online surveys.³⁵ The findings suggest several skills are important, but personal, interpersonal and intellectual abilities usually rank highly.³⁶ For example, communication and interpersonal skills are generally rated by employers as the most important skills.³⁷ The ability to use software such as Microsoft Excel[®], Windows[®], and word-processing and spreadsheet packages is also in high demand.³⁸ Nevertheless, the ranking of individual skills varies for different groups of graduates/students and educators/employers.³⁹ For example, employers rate working independently highly, in contrast to academics who rate teamwork and communication skills as more important. The study on graduates by De Lange et al found significant expectation gaps, particularly in interpersonal skills, oral expression and computing/information technology skills.⁴⁰ With regard to technological skills, Rackliffe and Ragland pointed out that there is a possible disconnect between the Excel skills needed in practice and those developed in accounting education.⁴¹ Bui and Porter's study showed that there are differences in educators' and employers' perceptions of the knowledge, skills and competencies required of graduates.⁴² Employers, in particular, have expressed their disappointment

³³ Birkett (n 30).

³⁴ See, for example, Bui and Porter (n 2); Paul De Lange, Beverley Jackling and Anne-Marie Gut, 'Accounting Graduates' Perceptions of Skills Emphasis in Undergraduate Courses: An Investigation from Two Victorian Universities' (2006) 46 *Accounting and Finance* 365; Kavanagh and Drennan (n 17); Monica Keneley and Beverley Jackling, 'The Acquisition of Generic Skills of Culturally-Diverse Student Cohort' (2011) 20(6) *Accounting Education: An International Journal* 605; Gary Spraakman et al, 'Employers' Perceptions of Information Technology Competency Requirements for Management Accounting Graduates' (2015) 24(5) *Accounting Education* 403; Graham Morgan, 'Communication Skills Required by Accounting Graduates: Practitioner and Academic Perceptions' (1997) 6(2) *Accounting Education* 93; O'Connell et al (n 19); Watty (n 5); Watty, Jackling and Wilson (n 6); Paul Wells et al, 'Professional Skills and Capabilities of Accounting Graduates: The New Zealand Expectation Gap?' (2009) 18(4) *Accounting Education* 403.

³⁵ See Jackling and De Lange (n 4); Kavanagh and Drennan (n 17); Watty, Jackling and Wilson (n 6).

³⁶ For example, De Lange, Jackling and Gut (n 34); Wells et al (n 34). For a summary of generic skills used in accounting education research, see Watty (n 5).

³⁷ See, for example, Linda Johnson and Van Johnson, 'Help Wanted — Accountant: What the Classifieds Say about Employers' Expectations' (1995) 70 *Journal of Education for Business* 130; Morgan (n 34).

³⁸ Sharon Burnett, 'The Future of Accounting Education: A Regional Perspective' (2003) 78 *Journal of Education for Business* 129; Johnson and Johnson (n 37).

³⁹ See Kavanagh and Drennan (n 17); Lin Mei Tan, Michael Fowler and Lindsay Hawkes, 'Management Accounting Curricula: Striking a Balance between the Views of Educators and Practitioners' (2004) 13(1) *Accounting Education* 51.

⁴⁰ De Lange, Jackling and Gut (n 34).

⁴¹ Usha Rackliffe and Linda Ragland, 'Excel in the Accounting Curriculum: Perceptions from Accounting Professors' (2016) 25(2) *Accounting Education* 139.

⁴² Bui and Porter (n 2).

that the new graduates they have employed lack numerous essential skills, or do not match their expectations.⁴³ A study by Wells et al indicated a gap exists between expectations of graduates and what university course programmes are providing in New Zealand universities.⁴⁴ The greatest gap identified by graduates, employers and academics is the development of team skills.⁴⁵

Overall, it appears that accounting educators recognise the importance of assisting graduates to develop certain employability skills, but their expectations are different from those of employers and graduates. As there are very few studies that focus on skills required by employers to perform tax work, this study raises the question: 'What are the essential skills that employers look for in recruiting tax workers?' Employers that look for recruits to do tax work can be accounting firms or non-accounting firms. In Tan's study on the tax practitioner-client relationship, 71 per cent of her sampled firms indicated that they spent 50 per cent or more of their time in tax work.⁴⁶ In a study by Hayes et al on graduate skills required by SMA firms, most of the firms in their study were involved in tax compliance work apart from other non-tax work.⁴⁷

B Tax discipline

Taxation is a subject that is usually embedded within accounting and law degrees at tertiary institutions.⁴⁸ Students with an interest in taxation or those aiming to be tax professionals in the future usually enrol in more than one taxation course. Although strong technical knowledge of tax law is vital, tertiary institutions that merely equip students with technical knowledge are no longer the norm due to the many calls in the last 30 years for university programmes to help students develop the required generic workplace skills.⁴⁹

However, there is little literature that examines the employability skills required for those who have an interest in tax work. Earlier studies in the tax discipline tend to focus on instructional styles and the common body of tax knowledge required in

⁴³ Phil Hancock et al, *Accounting for the Future: More than Numbers* (Final Report, Australian Learning and Teaching Council, 2009) vol 1; Kavanagh and Drennan (n 17); CAANZ (n 19).

⁴⁴ Wells et al (n 34).

⁴⁵ See, for example, De Lange, Jackling and Gut (n 34); Department of Employment, Education and Training ('DEET'), Australian Government, *Accounting in Higher Education: Report of the Review of the Accounting Discipline in Higher Education* (1990) vol 1; Beverley Oliver et al, 'Accounting Graduates and the Capabilities that Count: Perceptions of Graduates, Employers and Accounting Academics in Four Australian Universities' (2011) 2(1) *Journal of Teaching and Learning for Graduate Employability* 2.

⁴⁶ Lin Mei Tan, 'Towards an Understanding of the Tax Practitioner-Client Role Relationship: A Role Analysis' (PhD Thesis, Australian National University, July 2009).

⁴⁷ See Hayes, Freudenberg and Delaney (n 9).

⁴⁸ John Craner and Andrew Lymer, 'Tax Education in the UK: A Survey of Tax Courses in Undergraduate Accounting Degrees' (1999) 8(2) *Accounting Education* 127. For a brief discussion of the CPA Australia and CAANZ accreditation requirements, which now include an undergraduate tax course, see Hayes, Freudenberg and Delaney (n 9).

⁴⁹ Anne Christensen and Angela Woodland, 'Is Participation in the Volunteer Income Tax Assistance (VITA) Program Associated with Students' Problem-Solving Skills and Professional Commitment?' (2016) 31(1) *Issues in Accounting Education* 71; Paul Kenny et al, 'Improving the Students' Tax Experience: A Team-Based Learning Approach for Undergraduate Accounting Students' (2015) 10(1) *Journal of the Australasian Tax Teachers Association* 43.

undergraduate accounting programmes, with very little focus on employability skills.⁵⁰ For instance, an early study by Boley and Wilkie asked public accounting practitioners in the US to indicate the minimum tax knowledge that should be possessed by all entry-level graduates in public accounting.⁵¹ Their results showed high rankings were given to hybrid tax/financial accounting and compliance/practice skills topics, and an unexpectedly low ranking was assigned to computer usage.

Interestingly, another study by Arlinghaus and Salzarulo indicated that tax professionals in the US generally rate technical tax skills (tax research, technical tax knowledge, computer applications, familiarity with code and regulations) as more appropriately developed through on-the-job training.⁵² Schwartz and Stout's study on the educational preparation needed for entry-level tax positions showed that, compared to tax educators, practitioners have a greater preference for practical-based teaching methods, suggesting the need for educators to be aware of what employers desire in order to narrow the expectation gap.⁵³ Stara et al reported that practitioners rank the following as the top three (out of nine) important skills in graduate tax courses: the ability to conduct tax research; tax issue identification; and understanding tax code, regulations and cases.⁵⁴ The next three skills ranked as important are written communication skills, fact gathering for tax engagement, and tax ethics. Practitioners perceive that these skills will help entry-level graduates to perform simple or complex tax engagements early in their careers. The three lowest-ranked skills are oral presentation skills, computer applications and tax return preparations.

In view of the debate on the curriculum and skills that should be covered in tax courses, the AICPA established a Model Tax Curriculum Task Force in 1999, to provide tax educators with some guidance into skills development in taxation courses.⁵⁵ The AICPA further indicated that the critical skills that should be a part of tax education include oral and written communication, critical problem-solving, use of technology, interpersonal skills, business and professional ethical considerations and team building.⁵⁶ The Model Tax Curriculum and the AICPA Core Competency Framework,⁵⁷ therefore, support a

⁵⁰ Philip Siegel, Mark Persellin and John Rigsby, 'The Relation between Graduate Tax Education and Professional Performance' (1992) 14(2) *Journal of the American Taxation Association* 134; Lin Mei Tan and Frances Chua, 'Tax Ethics Education in New Zealand Tertiary Institutions: A Preliminary Study' (2000) 9(3) *Accounting Education: An International Journal* 259; Craner and Lymer (n 48).

⁵¹ Richard Boley and Patrick Wilkie, 'Practitioners' View of the Common Body of Tax Knowledge for Persons Entering Public Accounting' (1986) 8(1) *Journal of the American Taxation Association* 80.

⁵² Barry Arlinghaus and W Peter Salzarulo, 'The Importance of Post-Baccalaureate Education for Tax Professionals' (1986) 17 *Akron Business and Economic Review* 8.

⁵³ Bill Schwartz and David Stout, 'A Comparison of Practitioner and Educator Opinions on Tax Education Requirements for Undergraduate Accounting Majors' (1987) 2(1) *Issues in Accounting Education* 112.

⁵⁴ Nancy Stara, Paul Shoemaker and James Brown, 'The Curriculum Required to Develop a Tax Specialist: A Comparison of Practitioner Opinions with Current Programs' (1991) 9 *Journal of Accounting Education* 79.

⁵⁵ The latest revision was made in 2014 in collaboration with the American Taxation Association. See 'Tax Education Resources for Students and Teachers', AICPA (Web Page, 2 August 2018) <<http://www.aicpa.org/InterestAreas/Tax/Careers/Pages/tax-education-resources-for-students-and-teachers.aspx>>.

⁵⁶ Hite and Hasseldine (n 27).

⁵⁷ AICPA, *AICPA Pre-Certification Core Competency Framework: Reference Guide* (2018) <<https://www.aicpa.org/content/dam/aicpa/interestareas/accountingeducation/resources/downloadabledocuments/aicpa-pre-certification-core-competency-framework.pdf>>.

skills-based curriculum and enhance lifelong learning, although Hite and Hasseldine noted that it will be challenging for tax educators to groom students to meet the profession's demand for dynamic competencies in the various skills.⁵⁸

In the UK, Miller and Woods questioned the future direction of taxation teaching within UK undergraduate programmes.⁵⁹ Their study showed that there is a gap between employers' expectations and the tax knowledge covered in tax courses at university.⁶⁰ The expectations of employers and educators also differ on interpersonal and writing skills. Interestingly, the ability to use software is not ranked highly in practitioners and educators' expectations, whereas the ability to perform computation is considered to be a very important skill.

There are few studies that focus on tax education and development of skills in the tax curriculum in Australia and New Zealand. An early study by Hasseldine and Neale on Australian and New Zealand tertiary institutions showed that tax education tends to cover aspects that are more procedural than conceptual.⁶¹ Another New Zealand study by Tan and Veal found that educators and practitioners agree that a higher level of conceptual understanding, as compared to technical proficiency, is required.⁶²

Other studies have focused on the pedagogical and work-integrated learning approaches — the practice of combining traditional academic study with student exposure to the real world — that educators use in or outside the classroom to develop skills such as communication, problem-solving, critical thinking, teamwork, lifelong learning skills, and moral reasoning, with the use of teamwork and case studies/scenarios/short stories.⁶³ These studies did not set out to explore the skills that employers look for in their recruitment for people to perform tax work.

⁵⁸ Hite and Hasseldine (n 27).

⁵⁹ Angharad Miller and Christine Woods, 'Undergraduate Tax Education: A Comparison of Educators' and Employers' Perceptions in the UK' (2000) 9(3) *Accounting Education* 223.

⁶⁰ That is, the expectations of employers who recruit graduates who have studied taxation at university.

⁶¹ John Hasseldine and Ann Neale, *Issues in Professional Advanced Accounting Education* (Department of Accountancy, University of Canterbury, 1991).

⁶² Lin Mei Tan and John Veal, 'Tax Knowledge for Undergraduate Accounting Majors: Conceptual v. Technical' (2005) 3(1) *e-Journal of Tax Research* 28. In Tan and Veal's study, conceptual knowledge refers to 'the mental processes ranging from simple recall or awareness to creative thinking or evaluations', and technical ability refers to the 'skills in applying knowledge of tax law to specific taxation problems'.

⁶³ Examples can be found in Mitchell Franklin, 'Flipping the Tax Classroom for a Better Student Learning Experience' (2015) *The Tax Adviser* 852; Kenny et al (n 49); Fiona Martin and Margaret Connor, 'Using Blended Learning to Aid Law and Business Students' Understanding of Taxation Law and Problems' (2017) 12(1) *Journal of the Australasian Tax Teachers Association* 53; Nava Subramaniam and Brett Freudenberg, 'Preparing Accounting Students for Success in the Professional Environment: Enhancing Self-Efficacy through a Work Integrated Learning Program' (2007) 8(1) *Asia-Pacific Journal of Cooperative Education* 87; Tan and Chua (n 50); Tan and Veal (n 62); Bruce Renig, Ira Horowitz and Gene Whittenburg, 'Determinants of Student Attitudes toward Team Exams' (2014) 23(3) *Accounting Education: An International Journal* 244; Adrian Sawyer, Stephen Tomlinson and Andrew Maples, 'Developing Essential Skills through Case Study Scenarios' (2000) 18(3) *Journal of Accounting Education* 257; Patricia McCourt Larres and George Radcliffe, 'Computer-Based Instruction in a Professionally Accredited Undergraduate Tax Course' (2000) 9(3) *Accounting Education* 243; Larry Crumbley and Murphy Smith, 'Using Short Stories to Teach Critical Thinking and Communication Skills to Tax Students' (2000) 9(3) *Accounting Education* 291.

C Summary

The issue of employability skills has been debated in the literature for over three decades. Most universities acknowledge the importance of skills development, but there is little evidence that accounting education has changed much to meet the demands of key stakeholders such as employers and professional accounting bodies.⁶⁴ There is also little evidence from the employers of accounting graduates that the level of generic skill development has improved over the past two decades. Although there is general consensus that the development of generic skills is needed in the accounting curriculum, the extent to which each skill should be developed at tertiary institutions remains debatable. Therefore, it is not surprising that the skills expectation gap continues to be an area of concern in the 21st century.⁶⁵

In the tax discipline, very few studies have been carried out to examine the employability skills required by employers in recruiting people to do tax work. Prior studies have mainly focused on the required tax knowledge in an undergraduate programme, and the term 'skills' has had a wider connotation, as it has appeared at times to cover both technical and non-technical skills. To provide further insights into this area, this study used a content analysis of job advertisements to tease out the key employability skills, that is, the non-technical skills required of those who aspire to be tax accountants.

III STUDY FRAMEWORK

Most employability skills frameworks have some common elements that concern basic/fundamental skills, people-related skills, conceptual/thinking skills, personal skills and attributes, and skills related to the business world and community.

For this study, we draw on the frameworks developed by Birkett,⁶⁶ and IES 3,⁶⁷ as both have identified similar relevant skills categories required of accounting graduates. Figure 1 shows the employability skills framework used in this study. Based on Birkett's framework, skills are considered under two broad categories: cognitive and behavioural. Cognitive skills are subcategorised into two dimensions:

1. Routine/technical skills — Based on Birkett's framework, these skills consist of performing defined routine tasks with some mastery (for example, tasks to be performed are defined, and performance involves the exercise of pre-focused and pre-developed skills). It is not about technical knowledge as such, but more about the application of technical knowledge to everyday tasks, such as the ability to write and understand reports, computer literacy, accounting literacy, etc.
2. Intellectual skills — IES 3 describes intellectual skills as the ability to identify and evaluate information from various sources and reach well-reasoned conclusions, apply reasoning, and perform critical analysis and innovative thinking to solve problems (including unstructured and multifaceted problems). Birkett considered

⁶⁴ De Lange, Jackling and Gut (n 34); Watty (n 5).

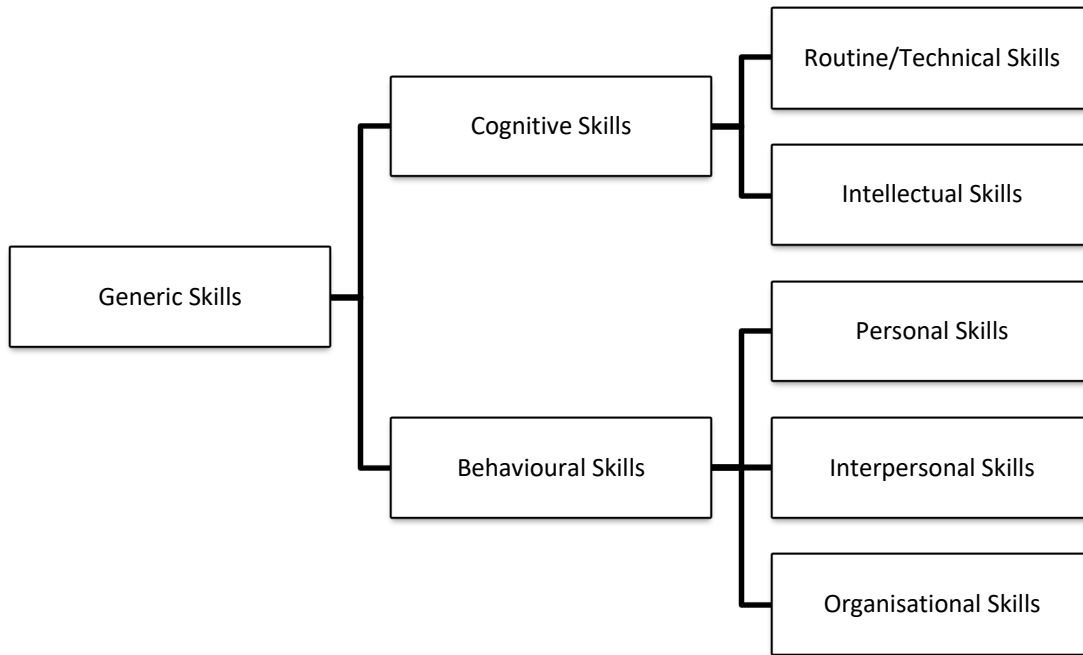
⁶⁵ O'Connell et al (n 19).

⁶⁶ Birkett (n 30).

⁶⁷ IAESB (n 1).

skills like problem identification and development of solutions to be ‘analytical’ skills, and evaluation of complex situations and making creative and complex judgements to be ‘appreciative’ skills. Drawing from IES 3 and Birkett’s analytic and appreciative dimensions, skills that relate to the ability to solve problems, make decisions and to exercise professional judgement are categorised as ‘intellectual’ skills.

Figure 1: Employability skills framework



Behavioural skills are subcategorised into three dimensions:

1. Personal skills — Drawing from IES 3 and Birkett’s work, this dimension includes the ability to: apply professional scepticism through questioning and critically assessing all information; anticipate challenges and plan potential solutions; apply an open mind to new opportunities; and demonstrate a commitment to lifelong learning. It includes: the ability to manage one’s own learning using available resources; an enthusiasm for ongoing learning; being flexible in new or different situations; having a positive, proactive and reflective attitude about one’s own performance; and the ability to handle oneself in situations of challenge, stress, conflict, time pressure and change.
2. Interpersonal skills — These skills are about the ability to secure outcomes through interpersonal interactions. Drawing from IES 3 and Birkett’s framework, elements of interpersonal skills include: working effectively with others; communicating clearly and concisely; and engaging and negotiating with people effectively. Basically, it is about having people skills and understanding group dynamics.
3. Organisational skills — These skills refer to securing outcomes through use of organisational networks. It is about accessing and using power and culture, and building and activating intra- and inter-organisational networks. Based on IES 3 and Birkett’s framework, it includes: the ability to organise work to meet deadlines;

reviewing own work and other people's work to determine whether it complies with standards; and the ability to organise and delegate tasks.

IV RESEARCH METHOD

A Data collection

This study examines the content of job advertisements to identify the employability skills required by employers in prospective employees. Content analysis of job advertisements has been widely used in other non-accounting domains in the last three decades, but less so to assist in understanding the issue of employability skills in tax work.⁶⁸ They are the most easily available and (possibly) reliable indicator of the short- to mid-term direction of workplace demands for skills and competencies. Further, they provide a good indication of what employers believe they need for the organisation to continue and thrive.⁶⁹

We examined tax job advertisements in both Australia and New Zealand, as there is a high degree of labour mobility between the two countries. We used a major online job site, www.seek.co.nz, which is one of the most popular in Australasia.⁷⁰ From this website, we initially selected 'accounting' as the main job classification, and then selected 'tax' under the job subcategory. We captured and examined the job advertisements for a one-year period, from July 2015 to June 2016, and focused the content analysis on employability skills required for the job.

B Analysis

We used a content analysis software package, QDA Miner[®] version 5 and WordStat[®] version 7, to generate the frequencies of specific categories of skills included in the advertisements.⁷¹

Drawing from the literature, we initially built a categorisation dictionary of employability skills that fall under each of the five categories shown in Figure 1. We started with a list of well-known words or phrases commonly used in the literature to denote skills for each of the five main categories and their respective subcategories.⁷² The initial categorisation dictionary was then applied to the database of job advertisements to identify the frequency with which specific categories were listed in the advertisements. We then examined the most frequently stated words and phrases in the advertisements that were not in our initial dictionary. Words or phrases that we considered relevant were subsequently included in our subcategories after having considered their context in the

⁶⁸ Verity Orme, 'You Will Be... : A Study of Job Advertisements to Determine Employers' Requirements for LIS Professionals in the UK in 2007' (2008) 57(8) *Library Review* 619.

⁶⁹ Kennan et al (n 18).

⁷⁰ Kamrul Ahsan, Marcus Ho and Sabik Khan, 'Recruiting Project Managers: A Comparative Analysis of Competencies and Recruitment Signals from Job Advertisements' (2013) 44(5) *Project Management Journal* 36. Data on accounting advertisements in general was also collected for another study: see Lin Mei Tan and Fawzi Laswad, 'Professional Skills Required of Accountants: What Do Job Advertisements Tell Us?' (2018) 27(4) *Accounting Education* 403.

⁷¹ Provalis Research, *SimStat and WordStat* (Software, 2005) <<http://www.simstat.com>>.

⁷² For example, Birkett (n 30); Watty (n 5); IAESB (n 1).

entire advertisement's text. Words or phrases that were irrelevant were ignored. Words that occurred in fewer than 2 per cent of the advertisements were also ignored. Appendix 1 shows the terms included in the final dictionary, which comprises five categories and 31 subcategories.

V FINDINGS

After removing any repeated advertisements, there were 4,109 and 206 tax job advertisements in Australia and New Zealand, respectively. Australia had a much higher proportion of taxation jobs (95.2 per cent) than New Zealand (4.8 per cent). The larger job market in Australia perhaps reflects its larger economy and population,⁷³ and more complex tax system,⁷⁴ as compared to New Zealand.⁷⁵

Table 1 shows the frequency of skills as mentioned in the advertisements for tax jobs. Out of the five broad skills categories, interpersonal and personal skills ranked as the top two most frequently mentioned skills (more than 50 per cent of advertisements). In the Australian advertisements, routine/functional skills were the third most in demand for tax jobs (42 per cent of advertisements). New Zealand advertisements showed intellectual skills as ranking third in demand (49 per cent of advertisements). In comparison, organisational skills were less frequently mentioned in both countries' advertisements.

Table 1: Skills by country — mean number of citations and percentage of advertisements

Skills	Australia			New Zealand		
	Mean ⁷⁶	% ⁷⁷	Rank	Mean	%	Rank
Interpersonal	3.05	89.5	1	3.75	92.7	1
Personal	1.35	60.8	2	1.91	71.8	2
Intellectual	0.54	34.8	4	1.02	48.5	3
Routine/functional	0.80	41.9	3	0.62	35.9	4
Organisational	0.43	30.1	5	0.49	35.9	4

⁷³ The current populations of Australia and New Zealand are about 25 million and 5 million, respectively. See 'Population: Australia and New Zealand', *Worldometers* (Web Page) <<http://www.worldometers.info/world-population/australia-and-new-zealand-population>>.

⁷⁴ Of note is that, unlike New Zealand, Australia has a comprehensive capital gains tax in place. Australia's GST system is also more complex than New Zealand's as it has an extensive list of goods and services that are GST-free or completely zero-rated (see Rick Krever and Peter Mellor, 'Where's the Complexity in Tax Law?' (Conference Paper, Centre for Business Taxation, Said Business School, University of Oxford, 25 June 2015)

<http://www.sbs.ox.ac.uk/sites/default/files/Business_Taxation/Events/conferences/symposia/2015/krever-paper.pdf>.

⁷⁵ Chris Jordan, 'Winning Friends and Influencing People' (2018) 5(1) *Acuity* 26. In this article, Chris Jordan, the Australian Commissioner of Taxation, indicated that Australia ranks second-highest in the world for the use of tax agents.

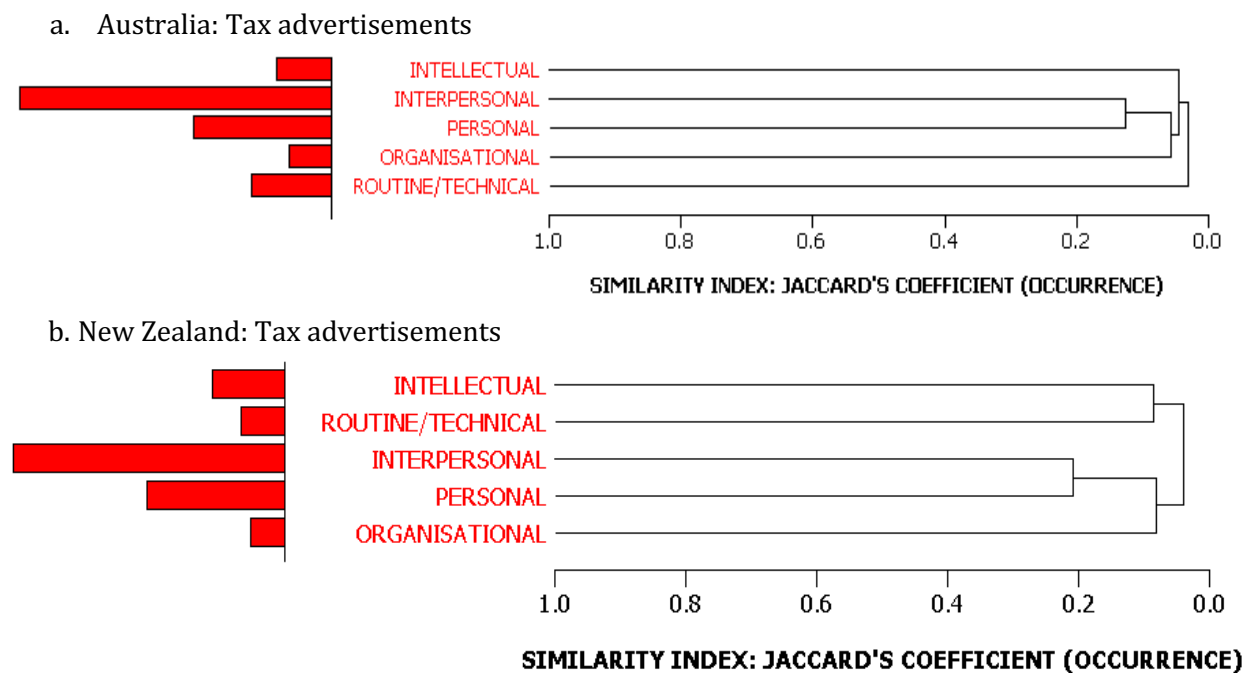
⁷⁶ The mean is the average number of skills cited in each broad category, divided by the number of advertisements.

⁷⁷ The percentage of advertisements is the proportion of advertisements with one or more skills cited in the broad categories of skills. The ranking is based on this percentage.

We further explored the structural characteristics of job advertisements by using cluster analysis to see which skills categories were often mentioned together in the advertisements. WordStat produced a dendrogram, which is a graphical display of the clustering process. The hierarchical agglomerative approach (Jaccard's coefficient) joins two words or phrases with the most similar patterns. At each successive step, subsequent words or phrases are joined to the existing clusters until one large cluster is formed. Pairs of skills that are close together suggest that they are frequently mentioned together in the advertisements.

Figure 2 shows the dendrogram. Of the five broad categories, the interpersonal and personal skill cluster had the most similarity or concurrence in both Australian and New Zealand job advertisements. This means that these two skill categories occurred more frequently together in the advertisements, indicating that employers want recruits who have good interpersonal skills as well as personal skills. In the New Zealand tax advertisements, the intellectual and routine skills were also in close proximity, indicating that these two skills were frequently mentioned. It appears that there are employers in New Zealand who are particular about recruits possessing routine/functional skills as well as demonstrating intellectual skills in their work.

Figure 2: Cluster analysis of five broad categories — dendrograms for Australian and New Zealand advertisements



To gain further insights into the occurrence of specific skills cited in the advertisements, we examined the frequencies of advertisements that had words/phrases shown in the categorisation dictionary. The results show that 15 out of the 31 specific skills in the dictionary were cited in more than 10 per cent of the total advertisements. Of the top 15 skills identified in the Australian and New Zealand advertisements, four were personal, four were intellectual, three were interpersonal, two were routine and two were organisational. These results suggest that although employers considered all the five

broad categories important in their recruitment, some types of skills were much more frequently mentioned than others and thus considered very important to have.

Table 2: Top 15 skills ranked by percentage of job advertisements

Skills	Australia	New Zealand
<i>Interpersonal</i> : Collaborating with colleagues	1 (75.5%)	1 (84.0%)
<i>Interpersonal</i> : Presenting/discussing/defending views	2 (59.1%)	3 (49.0%)
<i>Personal</i> : Showing a positive attitude	3 (37.0%)	2 (51.0%)
<i>Routine</i> : Competently using information technology	4 (26.4%)	7 (18.0%)
<i>Interpersonal</i> : Understanding group dynamics	5 (22.4%)	4 (42.2%)
<i>Personal</i> : Being flexible	6 (17.9%)	14 (14.6%)
<i>Personal</i> : Thinking and acting independently	7 (17.6%)	5 (25.7%)
<i>Organisational</i> : Meeting deadlines	8 (15.2%)	9 (16.5%)
<i>Organisational</i> : Applying leadership skills	9 (14.6%)	11 (16.5%)
<i>Personal</i> : Acting strategically	10 (12.3%)	6 (23.3%)
<i>Intellectual</i> : Initiating and conducting research	11 (12.0%)	9 (16.5%)
<i>Intellectual</i> : Solving problems and constructing arguments	12 (10.4%)	8 (17.5%)
<i>Routine</i> : Complying with legal requirements	13 (10.2%)	15 (14.1%)
<i>Intellectual</i> : Being observant and aware	14 (9.6%)	13 (15.1%)
<i>Intellectual</i> : Analysing, reasoning and conceptualising issues	15 (4.6%)	11 (16.0%)

Table 2 shows the extent of citations of skills in advertisements for tax jobs in Australia and New Zealand. Those skills that were mentioned in at least 20 per cent of the tax job advertisements in Australia were ranked as follows: collaborating with colleagues, presenting/discussing/defending views, showing a positive attitude, competently using information technology, and understanding group dynamics. Collaborating with colleagues was the most frequently mentioned interpersonal skill, and was mentioned in more than 70 per cent of the job advertisements. This finding suggests that employers value teamwork and prefer a candidate who is a team player. This aspect of interpersonal skills appears to have become more and more important, as it is critical to an organisation's productivity and profitability.⁷⁸ It was also the most frequently mentioned skill in the New Zealand advertisements (84 per cent). Similarly, New Zealand employers also value teamwork and place high priority on employees being able to collaborate with colleagues in tax work.

⁷⁸ See Deloitte Access Economics, *Soft Skills for Business Success* (Deloitte Touche Tohmatsu, 2017).

The second-ranked skill, mentioned in more than 50 per cent of the job advertisements in Australia, is also an interpersonal skill: presenting, discussing and defending views. This encompasses communication, presentation and speaking skills.

One aspect of personal skills — showing a positive attitude — was ranked third in the Australian advertisements. Employers are therefore expressing their desire for employees who are committed, passionate, dynamic, energetic, vibrant and self-driven. In New Zealand, the ranking of these two skills did not differ much, with positive attitude ranked second and presenting/discussing/defending views ranked third.

The fourth-ranked skill in Australia was competently using information technology. Not surprisingly, although use of information technology is a routine skill, it is considered an important skill in today's global, technologically demanding economy. The ability to use Excel, MYOB®, spreadsheets, or Xero®, was cited more frequently in the Australian advertisements (26 per cent, ranked fourth) than in the New Zealand advertisements (18 per cent, ranked seventh).

Understanding group dynamics — that is, having good people skills — was mentioned in more than 20 per cent of the advertisements for Australian jobs, denoting that people skills are also important in tax jobs. It was ranked fifth in Australia compared to fourth in the New Zealand advertisements.

Three other personal skills — being flexible, thinking and acting independently, and acting strategically — ranked sixth, seventh and tenth, respectively, in the Australian advertisements. This finding alludes to employers' high preference for a recruit who is practical and proactive, able to adapt to circumstances, has acumen and good work ethics, and is commercially and intellectually astute, as well as holding professional scepticism. The ranking of these skills in the New Zealand advertisements differed significantly: being flexible ranked 14th, and acting strategically ranked sixth. Being flexible or able to fit in with others is a personal attribute that refers to someone who can adapt to different circumstances. With the constantly changing tax law requirements, the ability to adapt quickly to changes, coupled with enthusiasm and inquisitiveness, are skills to which employers in Australia gave higher priority than those in New Zealand. In contrast to the Australian advertisements, New Zealand advertisements more often emphasised acting strategically.

Two aspects of organisational skills — meeting deadlines and applying leadership skills — ranked eighth and ninth, respectively, in the Australian advertisements. These results suggest that employers are also particular about good organisational skills, such as the ability to meet deadlines and provide leadership, both vital for managing their work. These skills were ranked ninth and eleventh in the New Zealand advertisements, respectively.

Four aspects of intellectual skills — initiating and conducting research, solving problems and constructing arguments, being observant and aware, and analysing, reasoning and conceptualising issues — ranked 11th, 12th, 14th and 15th, respectively, in the Australian advertisements. Certainly, in a complex and changing tax environment, recruits are expected by employers to be competent researchers, logical thinkers and good problem-solvers, as well as show accuracy and attention to detail. New Zealand employers, however, had a higher preference for good problem-solvers in tax work, that is, those who think laterally and are able to argue logically.

A routine skill — complying with legal requirements — ranked 13th in the Australian advertisements, compared with 15th in the New Zealand advertisements, signifying the importance of knowing the requirements of legislations and relevant regulations. Being observant and aware was ranked 13th in the New Zealand advertisements, indicating that employers in New Zealand expected tax accountants to be detail-oriented, in order to detect errors, discrepancies or inconsistencies. Analysing, reasoning and conceptualising issues was also ranked higher in the New Zealand advertisements (11th) compared to the Australian advertisements (15th). These analytical and logical reasoning skills are intellectual skills, which appeared to be expected more of New Zealand recruits than Australian recruits, who perhaps are more involved in routine compliance rather than tax planning/advisory work.

VI SUMMARY

Our analysis of job advertisements shows that a combination of interpersonal, personal, intellectual, routine and organisational skills is sought by employers of tax accountants in Australia and New Zealand. More specifically, this study shows that those skills that were mentioned in at least 20 per cent of the total Australian advertisements for tax-related work were (in order): collaborating with colleagues; presenting/discussing/defending views; showing a positive attitude; competently using information technology; and understanding group dynamics. In New Zealand, they were: collaborating with colleagues; showing a positive attitude; understanding group dynamics; thinking and acting independently; and acting strategically.

The top three skills — collaborating with colleagues, presenting/discussing/defending views, and showing a positive attitude — are aspects of interpersonal and personal skills. These findings reflect that tax accountants need to be engaging professionals. Those who can clearly demonstrate that they are team players who are enthusiastic and passionate about their work and can communicate well with others will certainly have a competitive edge in securing employment in tax work.

Understanding group dynamics, that is, having good people skills, is also a critical interpersonal skill, as tax accountants need to engage and work with colleagues, clients, peers and the tax authorities. The Australian advertisements for tax jobs further indicated that information technology competence is a critical routine skill. Employers in Australia clearly desire those who are proficient in using various digital tools, such as Excel, MYOB, Xero and other database systems. In the New Zealand advertisements for tax jobs, it was surprising to see that information technology was less emphasised than in the Australian advertisements. In comparison, other personal skills, like thinking and acting independently and strategically, were more frequently cited, and therefore considered more important. Tax work may involve tax compliance (for example, filing tax returns) or tax advisory/planning services. Perhaps more of the Australian tax jobs were involved with tax return compliance than those in New Zealand.

VII IMPLICATIONS

What implications do these results have for tax academics? Students who aspire to be tax accountants certainly need a blend of technical knowledge and various critical employability skills such as interpersonal and personal skills. Prior literature has also

indicated that interpersonal skills have the greatest gap as identified by graduates, employers and academics.⁷⁹ Being such important skills, which would enhance the employability of their graduates who aspire to be tax accountants, academics certainly need to consider ways to help students develop these skills within the tax curriculum. For instance, team projects might provide students with the opportunity to develop interpersonal skills, including listening, communicating and negotiating with others, and these employability skills are interconnected in many ways.⁸⁰ Various forms of work-integrated learning would also help students to enhance their problem-solving, teamwork and communication skills.⁸¹ For instance, some universities allow students to gain industry experience as well as people skills, teamwork skills and confidence through internships, community work, or networking opportunities with the profession and industry. In the US, many accounting students can participate in the Volunteer Income Tax Assistance programme,⁸² as a community service activity and an experiential learning opportunity.⁸³ By helping taxpayers to prepare their income tax returns, students benefit by not only enhancing their technical skills (for example, tax knowledge), but also their communication skills, problem-solving skills,⁸⁴ interpersonal skills and personal capacities.⁸⁵ In Australia, the Curtin University's Faculty of Business and Law has also recently opened a clinic that allows students, under the supervision of experienced tax practitioners, to work closely with unrepresented taxpayers in meeting or complying with their taxation obligations. This type of community service mutually benefits the tax authorities as well as the participating students. However, it requires academic staff to take the initiative to organise work-integrated learning activities, which also requires the support of the university and/or tax authorities.

The results of this study further show that employers want people with good personal attributes, such as an energetic, dynamic, passionate and adaptable personality. These are considered to be important skills, as they are very often cited in job advertisements. Some of these attributes may be harder to develop in formal education, as some personality traits are strongly influenced by genetics or culture, but they may be indirectly influenced during the development of other employability skills. In contrast, attributes like good work ethics and professional scepticism are easier to integrate into the tax curriculum. Nevertheless, students need to be made aware of the importance of personal skills.

⁷⁹ See, for example, De Lange, Jackling and Gut (n 34); DEET (n 45); Oliver et al (n 45).

⁸⁰ Kenny et al (n 49). A number of ideas to help students develop various skills have been suggested by several tax educators. See above n 63.

⁸¹ Denise Jackson, 'An International Profile of Industry-Relevant Competencies and Skill Gaps in Modern Graduates' (2009) 8(3) *International Journal of Management Education* 29; Subramaniam and Freudenberg (n 63).

⁸² The VITA programme trains volunteers to provide free tax help for low- to moderate-income families who need help with their tax returns. See 'IRS Tax Volunteers', *Internal Revenue Service, United States Government* (Web Page, 1 May 2019) <<https://www.irs.gov/individuals/irs-tax-volunteers>>.

⁸³ Cynthia Blanthorne and Stu Westin, 'VITA: A Comprehensive Review of the Literature and an Analysis of the Program in Accounting Education in the US' (2016) 31(1) *Issues in Accounting Education* 51.

⁸⁴ Christensen and Woodland (n 49).

⁸⁵ Janice Carr, 'Service-Learning in Accounting: A Role for VITA Programs' in Dasaratha V Rama (ed), *Learning by Doing: Concepts and Models for Service Learning in Accounting* (American Association for Higher Education, 1998).

Some universities' tax curricula may have already incorporated various employability skills in their courses, although they will likely vary in the emphasis of certain skills over others and the way that these skills are integrated into academic programmes.⁸⁶ How much of a gap there is between the competencies and skills developed at university and the skills required of graduates by prospective employers depends on how effective their integration into the course is.⁸⁷ It remains a challenge for tax educators, as it is not possible to teach all the skills demanded by employers.⁸⁸ Other factors like class size, time, motivation, expertise, funding and teaching resources also impede the development of non-technical skills in the curriculum.⁸⁹ Furthermore, it can be challenging to gauge and assess students' proficiencies in interpersonal and personal skills.⁹⁰

VIII LIMITATIONS AND FUTURE RESEARCH

A limitation of the study is that only advertisements for tax work under the accounting classification on the website we used were examined. Tax jobs may also be advertised in the law category of the website, and it is possible that those who aspire to be tax specialists may go through a non-accounting path, such as law. However, we consider that most advertisements were included in our data, as we examined all advertisements related to tax work. Future research may contribute to the literature on skills in tax work by examining advertisements on other websites that advertise for tax jobs.

Our study did not show the skills required of recent graduates, or differentiate the skills required by different sized firms. Most advertisements on the particular website we used did not indicate the level of experience required or the size of the firm. Our findings therefore did not differentiate the important skills required in tax work based on years of experience or firm size. Future research could explore this issue further by another means of data collection.

Another limitation of the study is that job advertisements may not have included all the job requirements of employers. Job advertisements tend to be brief to minimise costs of advertising and maximise impact, and are targeted to appeal only to potential applicants who have the required skills. There may be other skills employers require, and these skills are often stated in job description documents that prospective applicants may request from employers. These additional skills may also be explored during job interviews for short-listed applicants. However, job advertisements certainly tell us those essential skills that are most desired or valued by employers.

Perhaps what is also interesting is the level of tax proficiency required by employers, which is hardly mentioned in the job advertisements. Studies have indicated that employers generally tend to view that educators are not doing a good job in preparing

⁸⁶ Hite and Hasseldine (n 27).

⁸⁷ See Hancock et al (n 43), where they indicated several strategies that can be used to help develop non-technical skills in professional accounting programmes across all Australian universities.

⁸⁸ Bryan Howieson, 'Accounting Practice in the New Millennium: Is Accounting Education Ready to Meet the Challenge?' (2003) 35 *The British Accounting Review* 69.

⁸⁹ See Kenny et al (n 49); Freudenberg and Samarkovski (n 7).

⁹⁰ See Yorke (n 3). For suggestions on assessment, see Peter Knight and Mantz Yorke, *Employability: Judging and Communicating Achievements* (Higher Education Academy, 2004).

graduates for the workplace. Such perceptions raise the question of, 'how much is enough?' The interviews conducted by Hancock et al with Australian employers show that they had modest expectations for new graduates' technical skills, but viewed non-technical skills as very important.⁹¹ Future research could look into the level of skill proficiency required by employers.

IX CONCLUSION

In a globalised business and employment environment and with advances in technology, the issue of employability skills has become increasingly important over the years. Universities in countries such as Australia and New Zealand are also facing increasing pressures from governments to produce employable graduates.⁹² With the demand for tax accountants and the changing tax service landscape,⁹³ this study focused on the tax accountant job market as it is pertinent to gain insights into the critical skills in demand in the workplace.

Consistent with prior studies on important skills required of accounting graduates, personal and interpersonal skills were highly sought after by employers in their recruitment for tax workers. These findings suggest that tax educators need to continuously be considering new ways to support graduates' development of these essential skills. The responsibility for skills development, however, should not fall entirely with educators, as employers also have a key role to play in helping their recruits to develop these important skills. Workplace learning is indispensable, and employers can help to foster the important skills by on-the-job training, mentoring, and providing support for attendance at professional development courses.⁹⁴

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⁹¹ Hancock et al (n 43).

⁹² Willcoxson, Wynder and Laing (n 6).

⁹³ For a discussion on the changing service provider landscape, see OECD, *Rethinking Tax Services: The Changing Role of Tax Service Providers in SME Tax Compliance* (OECD Publishing, 2016) <<https://dx.doi.org/10.1787/9789264256200-en>>.

⁹⁴ See O'Connell et al (n 19); Yorke (n 3).

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Appendix 1: Categorisation dictionary

Category label	Examples of dictionary words/phrases
COGNITIVE	
<i>Routine/Functional</i>	
Compliance with legislative and regulatory requirements	legislation, legislations, work regulations, regulatory, compliances, complying
Communication	communicating, communication, literacy, structuring report, writing reports
Using information technology	accounting software, computer literacy, computer technology competence, database systems, Excel, MYOB, spreadsheets, Xero
Numeracy/calculations	calculation, calculations, carry out calculations, numeracy, statistics, statistical
Technical	technically
<i>Intellectual</i>	
Identify, evaluate and manage information and evidence	evaluate, identifying
Initiate and conduct research	research, research skills
Analyse, reason and conceptualise issues	analytical, logical reasoning, reasoning
Solve problems and construct arguments	forward thinking, lateral thinking, logical, logical argument, outside the square, problem analysis, problem-solve, problem-solver, problem-solving, solve, thinker, the box
Engage in ethical reasoning	ethical, ethics, integrity
Receive, react to ideas	accepting of new or others' ideas, open minded
Adapt and respond positively to challenges	able to deal with complexity, complexity
Think and act critically	creative, creatively, critical thinking, innovative thinking, strategic thinking, thinking on your feet, intellectual
Observant/aware	accuracy, accurate, accurately, attention to details
	eye for detail, numerical detail

BEHAVIOURAL	
<i>Personal</i>	
Be flexible/fit in with others	adapt, adaptability, adaptable, adapting to circumstances, flexibility, flexible
Positive attitude values	attitude, committed, driven, dynamic personality, dynamic tertiary, energetic, enthusiasm, enthusiastic, objective, passion, passionate, positive, personality vibrant
Act strategically	acumen, commercially astute, good work ethics, work ethic, intellectually astute, proactive, pro-active, technically astute
Think and act independently	apply professional skepticism, self-motivated initiative, inquisitive, practical, self-management, confident
Be focused on outcomes	outcome, outcomes
Commitment to lifelong learning	continuous learning, learn, takes initiative
<i>Interpersonal</i>	
Listen effectively	active listening, listening, communicate, communicate clearly, communication, communicator
Present/discuss/defend views	oral, oral communication, presentation skills, verbal, verbal communication, written, written communication
Negotiate with people	negotiate, negotiation, negotiation skills, rapport
Understand group dynamics	people skills, relationships
Collaborate with colleagues	collaborative, consultative skills, in-team, team, teamwork, team player, interpersonal
Fluency in English	English
Interpersonal skills	interpersonal skills
<i>Organisational</i>	

Undertake assignments in accordance with established practices to meet datelines	quickly, deadline, decision-making, efficient, organised, time management, pressure
Apply leadership skills	leadership, leader, strategic management
Apply delegation skills	delegate, delegating
Review own work and others to determine whether it complies with standards	management skills, self-management, task management