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PROFILE: WARREN W. NISSLEY

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Accountancy owes much to those dedicated persons who, during the formative years, perceived it to be a dynamic profession rather than a technical skill. This paper recalls one such person, Warren W. Nissley. Born in Middletown, Pennsylvania in 1893, his career in accounting spanned approximately thirty years. At his untimely death on January 17, 1950, Nissley was within reach of the pinnacle of success at Arthur Young & Company. His influence on accountancy had been considerable and had he lived, it would undoubtedly have been even greater.

Montgomery, May, and Paton were his contemporaries. These men and others continue to be recognized as leaders in the development of the profession. Warren Nissley, however, is generally unknown to most accountants and educators today. Although he has not received lasting recognition, few have contributed more to the profession of accountancy.

THE PERSON

One of Nissley's outstanding characteristics was that he had a consuming interest in all things related to the profession. He could not be silent or passive in any matter which affected the profession or his firm. Consequently, his often uncompromising and outspoken views caused Nissley to be unpopular with a number of people. [Higgins, pp. 122-123.] In a resolution of the American Institute of Accountants (Institute), Nissley was described as "... a remarkable man because he combined extraordinary physical vigor with intellectual depth and originality. He was no conformist. He did his own thinking and said what he thought." ["Warren W. Nissley," p. 188.]

"When Warren Nissley was on a crusade, his tenacity was terrific." [Higgins, p. 161]. In the mid-thirties, he had become concerned about inadequacies in prevailing reporting practices and the apparent lack of independence of some accounting firms. Higgins relates that, as a result, "We in the New York office had accounting principles morning, noon, and night. A lunch with

Warren in those days was a substantial mental exercise." [Higgins, p. 161.]

Nissley was a perfectionist and found it difficult to delegate responsibility. He had to edit documents and look into the details of any problem regardless of triviality. No one was more willing to get involved in problems of others, and no personal sacrifice was too great where the firm or the profession was concerned. [Higgins, pp. 208-209, 212.]

EARLY TRAINING

Nissley graduated from Princeton University in 1914 with a degree in civil engineering. After graduation, he moved rapidly from job to job serving in management positions with Concord Gas Company of Concord, North Carolina, Nassau and Suffolk Lighting Company in Long Island, New York, and National City Bank of New York. In late 1916 he began a period of military service.

Nissley served for nine months on the Mexican border as a private in Troop C, First New York Cavalry Regiment. After returning to New York, Nissley applied for and received a commission as a second lieutenant. [Nissley, 1935, p. 16.] While serving in the field artillery, he saw action in France. At the close of the war, he was commissioned a captain in the reserves. [*The New York Times*, p. 27.]

After the war, Nissley returned to the National City Bank and began to study accounting at night at Pace Institute. Shortly thereafter, he joined the New York accounting firm of McArdle, Djourup & McArdle as a staff accountant. [*The New York Times*, p. 27.] In July 1921, Nissley joined the firm of Arthur Young & Company.

With additional study of accounting and a review course from Paul Esquerre, Nissley passed the CPA exam and received the certificate from New York State in 1923. He was also certified in Pennsylvania and was a public accountant in Illinois. [*The New York Times*, p. 27.]

Nissley had joined Arthur Young & Company shortly after it was formed. When admitted to partnership in 1929, he became the first new partner since the firm's formation and the first partner educated in the United States.

Nissley deeply believed that the firm and the profession could be elevated through better education, selection, and training of personnel. As a result, he crusaded for change within the firm and the profession. In 1936, he undertook the firm's first recruitment interviews on a college campus. In order to bridge the gap between theory and practice and to reduce the fifteen years normally required to advance to senior level, Nissley established the firm's staff school in 1937. [Horn, pp. 73-76.]

Higgins described Nissley as the firm's "crown prince." He was admitted to the Arthur Young & Company Management Committee in 1940. In the forties, Nissley became involved in most of the important aspects of the firm. Not only did he have charge of a number of the important clients in New York, he had close personal ties with many of their top executives. In professional circles, Nissley was so well known that many people assumed he was the managing partner of the firm. It was generally expected within the firm that he would become managing partner when Jim Burton retired at the end of 1951. [Higgins, pp. 211-212.]

PROFESSIONAL ACTIVITIES

For more than twenty-five years, Warren Nissley was deeply involved in the committees and activities of the American Institute of Accountants and the New York State Society of CPAs. Now some of his professional activities will be reviewed.

Special Committee for Placements. Nissley conceived, organized, promoted, and chaired the Special Committee for Placements which the Institute established in 1926. The objectives of the Special Committee were to attract college graduates, place them with public accounting firms, and reduce the dependence on part-time personnel. In an effort to attract college graduates, the Special Committee published the first official Institute pamphlet promoting accounting as a career. The placement activities were carried out through the Bureau for Placements. ["Warren W. Nissley," p. 188.]

This Institute program brought about, or at least significantly contributed to, the trend toward hiring of college graduates by public accounting firms. In addition, better relations were established between academics and practitioners which resulted in improvement of accounting education.

In a speech on the experiences of the Bureau for Placements at the annual meeting of the Institute on September 18, 1928, Nissley took the opportunity to express his views on the education of public accountants. He believed that a technical school, operated independently or as a part of an existing institution, should be developed specifically to train public accountants. Only students who had successfully completed at least two years, preferably three or four years, of study in cultural courses at a recognized college should be accepted for the study of accountancy. Such a school, which he noted did not exist, "would be of incalculable value in elevating the standards of accountancy practice, . . ." [Nissley, 1928, p. 8.]

During the thirties, Nissley was outspoken in calling for professional schools of accountancy to train students specifically for careers in public accounting. He also advocated raising the educational requirements for CPA candidates. In working toward these ends, he served on the Institute's Board of Examiners, 1933-34, and the Committee on Education, 1934-36.

The recommendations of the Committee on Education during Nissley's tenure were extraordinary. How much Nissley influenced the Committee is difficult to determine. However, several speeches he made during 1934-36 indicated his general agreement with the Committee's recommendations.

Based partly on a survey of the accounting courses in 123 colleges and universities, the Committee concluded that the profession should recognize the inadequacy of its educational requirements and the need to adopt an educational program that would provide better graduates for the profession. The Committee stated that the Institute would render a valuable service to accounting education by: 1) formulating a policy specifying educational standards, 2) encouraging the improvement of educational programs in schools of business with the possibility of organizing separate professional schools of accountancy, 3) supporting legislative action for higher educational requirements, and 4) strengthening of the CPA examination. [1935 *Yearbook*, pp. 283-285.]

The Council of the Institute expressed general approval of the 1935 Committee's report and instructed it to develop specific recommendations. In compliance with the Council's instruction, the 1936 Committee proposed that four years of college be the minimum education for

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accountants. The program of study should include 120 semester hours consisting of 60 hours of cultural subjects and 60 hours of professional subjects. The Committee also recommended the development of a set of standards to be used for rating of schools offering professional training in accountancy. The Committee stated that professional training in accountancy would, in a few years, require five years of college. [1936 *Yearbook*, pp. 441-442.]

These recommendations were radical because a college education was not required for entering public accounting. However, the Council went on record approving college training as preparation for the profession and authorized the Committee to continue its efforts to establish standards for accounting education.

Committee on Accounting Procedure. Nissley served on a number of committees of the Institute dealing with technical issues. He was an active member of the Committee on Accounting Procedure for nearly ten years, 1938-47. Partly as a result of his efforts, it was recommended to the Council in 1938 that the Committee be enlarged and that a research division be established. Both recommendations were approved. The Committee was enlarged from seven to twenty-one and became more representative of the profession, since firms of various sizes and some accounting educators were included.

Committee on Personnel Selection. In the early forties, Nissley believed that the profession needed a more effective personnel screening process to replace the trial and error approach then in use. He conceived the idea of using vocational and achievement tests in selection of students wishing to enter the profession and won approval for development of a testing program from the Council of the Institute despite opposition and much inertia. ["Warren W. Nissley," p. 188]. The Committee on Personnel Selection was established to direct the testing project development. Nissley served as the Committee chairman from its inception in 1943 until 1947. This Committee spearheaded the validation of the accounting segment of the Strong Vocational Interest Test and development of the Orientation and Levels I and II Achievement Tests. In addition, Nissley advocated a personnel-reference service for students having completed the testing program. That service was about to be launched at the time of his death. ["Warren W. Nissley," p. 188].

Other Activities. Nissley also served on the Executive Committee, Council, and a number of other committees of the Institute. He had been

selected Nissley, Warren W. Nissley, before his death.

Nissley's professional activities were not limited to the American Institute of Accountants. He was a member of the New York State Society of CPAs and served as a Director and on several committees including the Legislation Committee, Committee on Education, and Committee on Accounting Procedure.

Nissley served during World War II as Special Consultant to the Under-Secretary of War. As a result of his efforts, the civilian-operated pilot-training schools were put on a sound financial basis. He later participated in the study to improve procedures of renegotiating war contracts. In addition, Nissley lectured at Columbia University and contributed many articles to accounting publications. He was in frequent demand as a speaker.

This brief profile of Warren W. Nissley identifies some of his contributions to the profession, education, and society. He was a man of vision and is deserving of recognition.

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