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Analysis of the Education and Experience of 1400 Candidates Taking the November, 1949 CPA Examination

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ANALYSIS OF THE EDUCATION AND EXPERIENCE OF 1400
CANDIDATES TAKING THE NOVEMBER, 1949 CPA EXAMINATION

Prepared for the Board of Examiners
of the American Institute of Accountants

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Robert L. Kane, Jr.

ANALYSIS OF THE EDUCATION AND EXPERIENCE OF 1400
CANDIDATES TAKING THE NOVEMBER, 1949 CPA EXAMINATION

This is the fourth study of the effects of education and experience on the success of candidates for the CPA certificate as shown by the results of the examination given in November 1949.

The three studies preceding this one explored the results of the examinations given in November 1946, November 1948 and May 1949.

As in the past, this study was made on only small sample groups of candidates from several states which have variant eligibility requirements.

Two separate and distinct samples are involved. One consists of 350 candidates who, according to their state boards, qualified for the CPA certificate as a result of the May 1949 examination. These will be referred to in this study as successful candidates. The other sample includes 1050 candidates who failed to qualify in that examination. These will be referred to as unsuccessful candidates.

These data do not cover all the states using the examination, nor do they necessarily include all of the successful or unsuccessful candidates within a particular state since all data sheets which were incomplete in any respect were excluded. Therefore, a direct comparison of the number of successful candidates with those who were not successful is not valid. However, the relationship of various subgroups to group totals should be valid and significant.

The classifications used in the present study are identical with those used in the May 1949 analysis. Statistics concerning age groups have been omitted in view of the fact that this information in the past has served only to indicate that candidates with considerable experience are generally older than those with less. This finding is neither surprising nor highly significant.

Schedules I-a. and I-b. present a classification of the candidates by both education and experience. There appears to have been very little change from prior studies in these respects. There was a slight relative increase in the number of college graduates with a corresponding percentage decrease in the number who had only a high school education.

When the experience of the candidates taking the examination in November 1949 is compared with that of the May 1949 candidates, there is a noticeable increase in the relative number who have over four years of experience and a substantial percentage decrease in the number who have no experience. Since the trends in both of these categories are the reverse of those for the next prior study, their significance is not clear and might be the result of the sample not being representative. The states included in this and the two prior studies are not identical, consequently the fluctuations might well be due to variant state experience and educational requirements. This might also be due to the fact that the growth in number of candidates taking the examination has slowed considerably.

Consideration of the combined factors of education and experience presents evidence that candidates having college degrees were considerably more successful than those having a lesser amount of education. The extent of this advantage is reflected in the fact that the college graduate group constituted 67.4% of the successful candidates but accounted for only 54.2% of those who were unsuccessful.

As shown in prior studies, the group having up to four years of public experience appears relatively more successful than those with no public experience and those with over four years of such experience. The candidates with one to four years experience accounted for 58.5% of the successful group but only 49% of the

unsuccessful ones. However, the gap between these two percentages is somewhat less than the difference in May 1949 when the corresponding figures were 58.7% and 40%.

Schedules II-a. and II-b. show the candidates classified as to the number of attempts made at the examination. About 23% of the successful candidates passed on their first attempt as compared with 26% shown by the next prior study. A total of 74.6% of those passing were successful on one of their first three attempts, with the second attempt producing the best percentage results. Schedule II-b. shows that 38.8% of the unsuccessful candidates were taking the examination for the first time. This is a substantial decrease from the corresponding figure of 51% in the study made in May 1949. Considering both successful and unsuccessful candidates, the percentage of the totals that were first-time candidates decreased from 46% to 35%.

Of the 487 candidates taking the examination for the first time, 274 or 56.3% were college graduates. Since college graduates also made up about the same percentage of the total number of candidates, there is no indication in these samples that college graduates are becoming a larger proportion of the total.

Page 2 of schedule II-b. presents the data for unsuccessful candidates classified as to experience and number of attempts at the examination. This distribution remains practically unchanged from that of the May 1949 study.

Schedules III-a. and III-b. are a consolidation of figures for May 1949 and November 1949 showing the classification of the candidates taking the examination for the first time. There were only 79 candidates who were successful on their first attempt in November 1949. It might be pointed out that 57 of these, or 72% were college graduates and, of these college graduates, 29 or about 51% have at least two years of public accounting experience. Of the 1,327 taking the

examination for the first time in one of these two examination, approximately 60% were college graduates and 40% had not completed college. However, it is possible that some of those shown as College - Incomplete, were still in school. The possession of experience in public accounting appears to have been a significant factor in success for these first time candidates. This is evident from the fact that 41.8% of the non-graduate group who were successful had two to four years of experience as compared to 27.7% of the unsuccessful candidates who had such experience.

Of the 408 unsuccessful first-time candidates in November 1949, only 217 or about 53% are college graduates and, of this group, only 78 or about 19% of the total had as much as two years of public experience. To the extent that these samples are representative, a college degree and at least two years of experience in public accounting provide an optimum background for passing the CPA examination on the first trial. This is consistent with the results of prior studies. Perhaps it is significant only in that it bears out what might be logically expected.

Schedules IV-a. and IV-b. show the partial success of the unsuccessful candidates. It can be observed from schedule IV-a. that, in general, college graduates are considerably more successful than the non-college graduates in obtaining partial credit for subjects passed. However, accounting majors were more successful than non-majors only in Practice. Since this same condition existed in the analyses of the data for November 1948 and May 1949, it does not appear justifiable to dismiss the finding as merely the result of an error in sampling. It might be well to point out that even in Practice the advantage of the accounting major over the non-major has steadily decreased over the last three

examinations. This might be accounted for by the fact that experience tends to be a vital factor in the results. While acquiring experience, many of the non-majors engage in the part-time study of accounting through evening courses or correspondence courses. This post-graduate study may be very effective for this group.

Schedule IV-b. reflects the effects of experience on the candidate's success in different parts of the examination. In Auditing the lack of experience proved to be a definite handicap. This same condition was found to exist in the studies for November 1948 and May 1949.

A careful consideration of schedule I-a. and corresponding data for the two next prior studies reveals that, of the total number of candidates in each category, college graduates who majored in accounting appear to have no advantage over non-majors as far as the overall success in the examination is concerned.

Schedules VI-a. through VIII-b. combine the samples from the May 1949 study with those of the November 1949 examination. A comparison of these schedules with corresponding schedules I-a. through II-b and IV-a. and IV-b. is not appreciably significant inasmuch as the November 1949 data are included in the combined form. However, schedules VI-a. through VIII-b. do provide a larger sample which should give more representative results than those of any one examination.

There appears to be no glaring discrepancies between the combined material and that of the November 1949 schedules. However, the accumulation of such data over several examinations might well eliminate fluctuations among different studies which can be traced to errors in small samples.

Schedule V gives comparative data from the 1946, 1948 and two 1949 studies. Some of the differences shown in this schedule probably arise from the fact that

the three studies do not include exactly the same states. Variations in experience requirements and in educational requirements between states are probably responsible for a part of these differences. The November study shows a higher percentage of college graduates who have majored in accounting than was shown by either of the prior studies. Corresponding with that is the decrease in candidates passing without having had any accounting experience. These data clearly show the effect of experience as a factor in passing Auditing. Those passing Auditing with no experience are a much smaller percentage of the total than those without experience are of the total for any other subject.

Before presenting the general conclusions that may be drawn from the study, certain limitations should be pointed out.

All four of the studies referred to herein have been based on data from only about one-half of the states and have not included more than 10% of the total number of candidates. The states that have supplied the data used for these studies may not be representative of the national situation. Even for those states submitting data, it has not been possible to include all candidates. In a number of instances, tabulation has shown that a part of the desired data was lacking, in which case the candidate could not be included. Other data have been deleted because of apparent inaccuracies.

Apart from the sampling problem, there are numerous factors, which probably have significant effects on a candidate's success or failure which have been ignored for purposes of these studies. Natural aptitude for accounting might be a more important factor than education, but that factor could not be considered. There are possible variations in the quality of experience which might exist as between different groups, and there are possible variations in the quality of education,

neither of which have been considered. Such conclusions as can be drawn from the studies are sound only on the assumption that factors not considered herein have no effect, or an equal effect, on all classifications into which these data have been grouped.

Subject to these limitations, the following general conclusions can be drawn from the studies that have been made:

1. Experience in public accounting up to a total of four years increases the candidate's chances of passing the CPA examination. This experience seems to be of greatest benefit in Auditing but of practically no benefit in Law.

2. An increased amount of education in general enhances the candidate's chances of success in the examination. This seems to apply to those in each experience group.

3. A combination of a college degree and at least some experience in public accounting appears to be a very effective background for candidates taking the examination.

4. Most candidates who qualify for the CPA certificate succeed in passing all subjects on one of their first three attempts. The second attempt produces the highest number of successful candidates.

5. There is a lack of substantial evidence that an accounting major in college produces much better results than a degree without such a major. This seems especially true in Auditing, Theory and Law. Even in Practice there is little support for the belief that a major in accounting is highly beneficial to the candidate. However, the possibility exists that non-majors going into accounting have taken considerable accounting and that they may be a select group. It might be found that a comparatively high percent of mediocre accounting majors attempt the examination while only exceptional men enter the profession unless they have majored in accounting.

It is contemplated that a study soon will be made of the effectiveness of various schools in producing graduates who pass the CPA examination. Undoubtedly there is considerable variation in quality of education received by the accounting major group. It is hoped to obtain some measurement of this variation since it is from the accounting major group that most employees are now being drawn by accounting firms.

NUMBER OF SUCCESSFUL AND UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

(SAMPLES FROM NOVEMBER, 1949 EXAMINATION)

EDUCATION	Total	EXPERIENCE					
		No Experience	Non-Public	PUBLIC			
				1-2 yrs.	2-4 yrs.	4-6 yrs.	Over 6 yrs.
High School							
Successful candidates	5	0	0	0	4	0	1
Unsuccessful candidates	47	0	0	1	11	17	18
College Incomplete							
Successful candidates	45	0	12	6	17	6	4
Unsuccessful candidates	143	21	14	13	53	17	25
Technical Accounting School							
Successful candidates	36	0	1	1	13	11	10
Unsuccessful candidates	178	8	27	19	45	39	40
College Incomplete and Technical School							
Successful candidates	28	0	8	2	5	2	4
Unsuccessful candidates	113	4	15	8	38	24	24
College Graduate (See Breakdown)							
Successful candidates	236	8	36	73	84	21	14
Unsuccessful candidates	569	36	91	160	167	70	45
Total Candidates							
Successful candidates	350	8	57	82	123	47	33
Unsuccessful candidates	1050	69	147	201	314	167	152
<u>DETAIL OF COLLEGE GRADUATE GROUP</u>							
Not Accounting Major							
Successful candidates	49	0	10	6	21	7	5
Unsuccessful candidates	118	3	23	22	39	20	11
Accounting Major							
Successful candidates	139	6	19	48	52	7	7
Unsuccessful candidates	402	29	60	120	120	47	26
Graduate School							
Successful candidates	48	2	7	19	11	7	2
Unsuccessful candidates	49	4	8	18	8	3	8

PERCENTAGE ANALYSIS OF SUCCESSFUL AND UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

(SAMPLES FROM NOVEMBER, 1949 EXAMINATION)

EDUCATION	Group as Per cent of Total Sample	EXPERIENCE							Total
		No Experience	Non- Public	PUBLIC				Over 6 yrs.	
				1-2 yrs.	2-4 yrs.	4-6 yrs.	6 yrs.		
<u>SUCCESSFUL CANDIDATES</u>									
High School Only	1.4	--	--	--	80.0	--	20.0	100.0	
College Incomplete	12.9	--	26.7	13.3	37.8	13.3	8.9	100.0	
Technical Accounting School	10.3	--	2.8	2.8	36.1	30.5	27.8	100.0	
College Incomplete & Technical School	8.0	--	28.6	7.1	17.9	32.1	14.3	100.0	
College Graduate	67.4	3.4	15.3	30.9	35.6	8.9	5.9	100.0	
Total	100.0	2.3	16.3	23.4	35.1	13.5	9.4	100.0	
<u>UNSUCCESSFUL CANDIDATES</u>									
High School Only	4.5	--	--	2.1	23.4	36.2	38.3	100.0	
College Incomplete	13.6	14.7	9.8	9.1	37.0	11.9	17.5	100.0	
Technical Accounting School	16.9	4.5	15.2	10.7	25.3	21.9	22.4	100.0	
College Incomplete & Technical School	10.8	3.5	13.3	7.1	33.6	21.3	21.2	100.0	
College Graduate	54.2	6.3	16.0	28.1	29.4	12.3	7.9	100.0	
Total	100.0	6.6	14.0	19.1	29.9	15.9	14.5	100.0	

CANDIDATES WHO QUALIFIED IN NOVEMBER, 1949
 CLASSIFIED BY EDUCATION AND
 TABULATED AS TO WHEN THEY PASSED

(SAMPLE FROM NOVEMBER, 1949 EXAMINATION)

CLASSIFICATION	Total	NUMBER OF CANDIDATES								
		1st Time	2nd Time	3rd Time	4th Time	5th Time	6th Time	7th Time	8th Time	9th Time
High School only	5	1	0	3	0	1	0	0	0	0
College Incomplete	45	16	7	13	4	3	2	0	0	0
Technical Accounting School	36	4	8	5	8	3	3	3	1	1
College Incomplete and Technical School	28	1	9	9	5	2	1	1	0	0
Total Non-Graduates	114	22	24	30	17	9	6	4	1	1
College Graduate - Not Accounting Major	49	14	10	10	10	4	0	1	0	0
College Graduate - Accounting Major	139	33	46	33	16	4	3	0	2	2
Graduate School	48	10	19	10	5	2	2	0	0	0
Total College Graduates	236	57	75	53	31	10	5	1	2	2
Total Candidates	350	79	99	83	48	19	11	5	3	3
<u>PERCENTAGES</u>										
High School Only	100.0	20.0	--	60.0	--	20.0	--	--	--	--
College Incomplete	100.0	35.6	15.5	28.9	8.9	6.7	4.4	--	--	--
Technical Accounting School	100.0	11.1	22.2	13.9	22.2	8.3	8.3	8.4	2.8	2.8
College Incomplete and Technical School	100.0	3.6	32.1	32.1	17.9	7.1	3.6	3.6	--	--
Total Non-Graduates	100.0	19.3	21.1	26.3	14.9	7.9	5.3	3.5	.9	.8
College Graduate - Not Accounting Major	100.0	28.6	20.4	20.4	20.4	8.2	--	2.0	--	--
College Graduate - Accounting Major	100.0	23.8	33.1	23.7	11.5	2.9	2.2	--	1.4	1.4
Graduate School	100.0	20.8	39.6	20.8	10.4	4.2	4.2	--	--	--
Total College Graduates	100.0	24.2	31.8	22.5	13.1	4.3	2.1	.4	.8	.8
Total Candidates	100.0	22.6	28.3	23.7	13.7	5.4	3.1	1.4	.9	.9

SUMMARY OF ATTEMPTS AT THE EXAMINATION BY UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

(SAMPLE FROM NOVEMBER, 1949 EXAMINATION)

EDUCATION	Total	NUMBER OF CANDIDATES WHO HAVE COMPLETED THEIR						Over Fifth Attempt
		First Attempt	Second Attempt	Third Attempt	Fourth Attempt	Fifth Attempt		
High School	47	21	7	11	2	4	2	
College Incomplete	143	73	28	12	11	9	10	
Technical Accounting School	178	64	42	22	23	11	16	
College Incomplete and Technical School	113	33	25	31	10	5	9	
College Graduate - Non-Major	118	41	31	20	10	9	7	
College Graduate - Accounting Major	402	160	115	56	30	17	24	
Graduate School	49	16	13	4	11	4	1	
Total	1050	408	261	156	97	59	69	

EDUCATION	Total	PERCENTAGES					
		First Attempt	Second Attempt	Third Attempt	Fourth Attempt	Fifth Attempt	
High School	100.0	44.7	14.9	23.4	4.3	8.5	4.2
College Incomplete	100.0	51.0	19.6	8.4	7.7	6.3	7.0
Technical Accounting School	100.0	35.9	23.6	12.4	12.9	6.2	9.0
College Incomplete and Technical School	100.0	29.2	22.1	27.4	8.9	4.4	8.0
College Graduate - Non-Major	100.0	34.8	26.3	16.9	8.5	7.6	5.9
College Graduate - Accounting Major	100.0	39.8	28.6	13.9	7.5	4.2	6.0
Graduate School	100.0	32.6	26.5	8.2	22.4	8.2	2.1
Total	100.0	38.8	24.9	14.9	9.2	5.6	6.6

SUMMARY OF ATTEMPTS AT THE EXAMINATION BY UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

(SAMPLE FROM NOVEMBER, 1949 EXAMINATION)

EXPERIENCE	NUMBER OF CANDIDATES WHO HAVE COMPLETED THEIR						Over Fifth Attempt
	Total	First Attempt	Second Attempt	Third Attempt	Fourth Attempt	Fifth Attempt	
No Experience	69	53	14	1	1	0	0
Non-Public Experience	147	68	46	18	10	4	1
Public, 1-2 years	201	88	58	27	17	8	3
Public, 2-4 years	314	145	86	41	22	9	11
Public, 4-6 years	167	31	33	46	29	17	11
Public, Over 6 years	152	23	24	23	18	21	43
Total	1050	408	261	156	97	59	69
<u>PERCENTAGES</u>							
No Experience	100.0	76.8	20.3	1.5	1.4	--	--
Non-Public Experience	100.0	46.3	31.3	12.2	6.8	2.7	.7
Public, 1-2 years	100.0	43.8	28.9	13.4	8.4	4.0	1.5
Public, 2-4 years	100.0	46.2	27.4	13.0	7.0	2.9	3.5
Public, 4-6 years	100.0	18.6	19.7	27.5	17.4	10.2	6.6
Public, Over 6 years	100.0	15.1	15.8	15.1	11.9	13.8	28.3
Total	100.0	38.8	24.9	14.9	9.2	5.6	6.6

CLASSIFICATION AS TO EDUCATION AND EXPERIENCE
OF THE CANDIDATES TAKING THE EXAMINATION FOR THE FIRST TIME

(MAY AND NOVEMBER, 1949)

CLASSIFICATION	Total	EXPERIENCE					
		No Experience	Non-Public	PUBLIC			
				1-2 yrs.	2-4 yrs.	4-6 yrs.	Over 6 yrs.
High School Only	1	0	0	0	1	0	0
College Incomplete	27	7	3	4	11	1	1
Technical Accounting School	10	0	2	0	3	5	0
College Incomplete and Technical School	5	0	1	1	3	0	0
Total Non-College Graduates	43	7	6	5	18	6	1
College Graduates:				SUCCESSFUL CANDIDATES			
Not Accounting Major	24	3	1	4	13	2	1
Accounting Major	81	11	15	17	29	7	2
Graduate School	23	2	3	13	3	2	0
Total College Graduates	128	16	19	34	45	11	3
Total Candidates	171	23	25	39	63	17	4
				UNSUCCESSFUL CANDIDATES			
High School Only	43	0	2	4	14	13	10
College Incomplete	217	57	56	34	52	11	7
Technical Accounting School	152	15	38	27	44	17	11
College Incomplete and Technical School	79	6	28	5	26	7	7
Total Non-College Graduates	491	78	124	70	136	48	35
College Graduates:							
Not Accounting Major	210	57	58	42	43	7	3
Accounting Major	406	85	91	113	94	16	7
Graduate School	49	7	12	14	8	7	1
Total College Graduates	665	149	161	169	145	30	11
Total Candidates	1,156	227	285	239	281	78	46

CLASSIFICATION AS TO EDUCATION AND EXPERIENCE
OF THE CANDIDATES TAKING THE EXAMINATION FOR THE FIRST TIME

(MAY AND NOVEMBER, 1949)
PERCENTAGES

CLASSIFICATION	Total	No. Experience	EXPERIENCE				
			Non Public	1-2 yrs.	2-4 yrs.	4-6 yrs.	Over 6 yrs.
SUCCESSFUL CANDIDATES							
High School Only	100.0	--	--	--	100.0	--	--
College Incomplete	100.0	25.9	11.1	14.8	40.8	3.7	3.7
Technical Accounting School	100.0	--	20.0	--	30.0	50.0	--
College Incomplete and Technical School	100.0	--	20.0	20.0	60.0	--	--
Total Non-College Graduates	100.0	16.3	14.0	11.6	41.8	14.0	2.3
UNSUCCESSFUL CANDIDATES							
College Graduates:							
Not Accounting Major	100.0	12.5	4.1	16.7	54.3	8.3	4.1
Accounting Major	100.0	13.6	18.5	21.0	35.8	8.6	2.5
Graduate School	100.0	8.7	13.0	56.6	13.0	8.7	--
Total College Graduates	100.0	12.5	14.8	26.6	35.2	8.6	2.3
Total Candidates	100.0	13.4	14.6	22.8	36.8	10.0	2.4
Non-College Graduates:							
High School Only	100.0	--	4.7	9.3	32.6	30.2	23.2
College Incomplete	100.0	26.3	25.8	15.7	23.9	5.1	3.2
Technical Accounting School	100.0	9.9	25.0	17.8	28.9	11.2	7.2
College Incomplete and Technical School	100.0	7.6	35.4	6.3	32.9	8.9	8.9
Total Non-College Graduates	100.0	15.9	25.3	14.3	27.7	9.8	7.0
College Graduates:							
Not Accounting Major	100.0	27.1	27.6	20.0	20.5	3.3	1.5
Accounting Major	100.0	20.9	22.4	27.8	23.2	3.9	1.8
Graduate School	100.0	14.3	24.5	28.6	16.3	14.3	2.0
Total College Graduates	100.0	22.4	24.2	25.4	21.8	4.5	1.7
Total Candidates	100.0	19.6	24.7	20.7	24.3	6.7	4.0

DATA ON UNSUCCESSFUL CANDIDATES
SHOWING THE NUMBER WHO HAVE PASSED AND FAILED EACH SUBJECT
CLASSIFIED AS TO EDUCATION

(SAMPLE FROM NOVEMBER, 1949 EXAMINATION)

SUBJECT	CLASSIFIED AS TO EDUCATION					COLLEGE GRADUATES			Total
	High School Only	College Incomplete	Technical Accounting School	College Incomplete & Tech. School	Non-Major	Major	Graduate School		
<u>Auditing:</u>									
Candidates who passed	14	44	47	28	46	124	15	318	
Candidates who did not pass	33	99	131	85	72	278	34	732	
Percent of passed to total	29.8	30.8	26.4	24.8	39.0	30.8	30.6	30.3	
<u>Commercial Law:</u>									
Candidates who passed	21	63	77	59	73	246	32	571	
Candidates who did not pass	26	80	101	54	45	156	17	479	
Percent of passed to total	44.7	44.1	43.3	52.2	61.9	61.2	65.3	54.4	
<u>Theory of Accounts:</u>									
Candidates who passed	10	39	38	29	54	163	22	355	
Candidates who did not pass	37	104	140	84	64	239	27	695	
Percent of passed to total	21.3	27.3	21.3	25.7	45.8	40.5	44.9	33.8	
<u>Accounting Practice:</u>									
Candidates who passed	11	34	34	21	22	90	9	221	
Candidates who did not pass	36	109	144	92	96	312	40	829	
Percent of passed to total	23.4	23.8	19.1	18.6	18.6	22.4	18.4	21.0	

DATA ON UNSUCCESSFUL CANDIDATES
SHOWING THE NUMBER WHO HAVE PASSED AND FAILED EACH SUBJECT
CLASSIFIED AS TO EXPERIENCE

(SAMPLE FROM NOVEMBER, 1949 EXAMINATION)

SUBJECT	No Experience	Non-Public	PUBLIC				Total
			1-2 yrs.	2-4 yrs.	4-6 yrs.	Over 6 yrs.	
<u>Auditing:</u>							
Candidates who passed	9	19	39	119	69	63	318
Candidates who did not pass	60	128	162	195	98	89	732
Percent of passed to total	13.0	12.9	19.4	37.9	41.3	41.4	30.3
<u>Commercial Law:</u>							
Candidates who passed	38	87	120	158	83	85	571
Candidates who did not pass	31	60	81	156	84	67	479
Percent of passed to total	55.1	59.2	59.7	50.3	49.7	55.9	54.4
<u>Theory of Accounts:</u>							
Candidates who passed	17	47	67	111	51	62	355
Candidates who did not pass	52	100	134	203	116	90	695
Percent of passed to total	24.6	32.0	33.3	35.4	30.5	40.8	33.8
<u>Accounting Practice:</u>							
Candidates who passed	17	29	43	73	38	21	221
Candidates who did not pass	52	118	158	241	129	131	829
Percent of passed to total	24.6	19.7	21.4	23.2	22.8	13.8	21.0

SCHEDULE V.

COMPARISON OF THE EDUCATION AND EXPERIENCE OF CANDIDATES PASSING EACH SUBJECT AS SHOWN BY THE STUDIES FOR NOVEMBER, 1946, NOVEMBER, 1948 AND MAY AND NOVEMBER, 1949
ALL DATA REDUCED TO PERCENTAGES

	ADDITING				COMMERCIAL LAW				THEORY OF ACCOUNTS				ACCOUNTING PRACTICE			
	(1) Nov. 1946	(2) Nov. 1948	(3) May 1949	(4) Nov. 1949	Nov. 1946	Nov. 1948	May 1949	Nov. 1949	Nov. 1946	Nov. 1948	May 1949	Nov. 1949	Nov. 1946	Nov. 1948	May 1949	Nov. 1949
EDUCATION																
High School Only	7.1	8.3	3.7	2.9	6.2	8.1	3.8	2.8	7.3	9.4	3.6	2.1	5.6	6.5	3.7	2.8
College Incomplete	22.0	16.7	15.7	13.3	20.1	17.8	17.3	11.7	20.2	15.2	17.2	11.9	18.8	15.5	18.0	13.8
Technical Accounting School	19.4	15.7	19.6	20.8	23.5	14.4	19.0	21.8	23.4	14.8	19.5	18.6	26.3	13.5	18.8	20.9
College Graduate - Non Major	20.3	28.8	16.9	14.2	19.0	29.4	17.8	13.2	19.6	29.0	16.6	14.6	18.4	26.7	13.9	12.4
College Graduate - Major	26.0	25.8	37.7	39.4	26.3	26.0	36.4	41.8	25.4	26.7	36.8	42.9	26.3	34.5	39.1	40.1
Graduate School	5.2	4.7	6.4	9.4	4.9	4.3	5.7	8.7	4.1	4.9	6.3	9.9	4.6	3.3	6.5	10.0
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
EXPERIENCE																
None	3.2	4.6	8.4	2.5	3.9	7.5	15.2	5.0	3.8	5.3	13.5	3.5	2.6	6.7	12.6	4.4
Non-Public	37.4	9.4	15.5	11.4	35.4	9.2	21.1	15.6	34.7	9.2	18.0	14.8	41.7	9.3	17.5	15.1
Public, 1 - 2 years	12.4	19.2	20.7	18.1	14.9	19.2	23.3	21.9	13.8	18.0	20.9	21.1	10.2	26.9	22.6	21.9
Public, 2 - 4 years	21.1	31.3	31.5	36.2	21.8	29.8	21.8	30.5	21.7	30.3	26.8	33.2	19.6	30.3	28.7	34.3
Public, 4 - 6 years	12.3	17.3	14.1	17.4	12.6	15.9	9.9	14.1	13.7	17.2	10.5	13.9	15.1	13.3	11.5	14.9
Public, Over 6 years	13.6	18.2	9.8	14.4	11.4	18.4	8.7	12.9	12.3	20.0	10.3	13.5	10.8	13.5	7.1	9.4
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

NOTES:

- (1) These percentages are based on data reported in "Challenges to the Accounting Profession 1947" published by the American Institute of Accountants. The figures are for candidates who passed the subject in November, 1946 in contrast with the November, 1948 and May, 1949 figures which include all candidates who were credited with having passed the subject on those or on prior examinations. The 1948 and 1949 figures give cumulative effect to past examinations, while the 1946 figures do not include such cumulative credit.
- (2) These percentages are the result of using the figures for the 366 successful candidates as reported in Schedules I-a and I-b combined with the figures in Schedules III-a and III-b of the 1948 study.
- (3) These percentages are the result of using figures for the 349 successful candidates combined with the figures in Schedules IV-a and IV-b of the 1949 study.
- (4) These percentages are the result of combining the figures in Schedules I-a and IV-a of this study.

NUMBER OF SUCCESSFUL AND UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

SCHEDULE VI-a.

(MAY AND NOVEMBER, 1949)

	Total	EXPERIENCE					
		No Experience	Non-Public	1-2 yrs.	2-4 yrs.	PUBLIC 4-6 yrs. Over 6 yrs.	
<u>EDUCATION</u>							
<u>High School</u>							
Successful candidates	17	0	2	1	10	1	3
Unsuccessful candidates	114	1	4	10	28	34	37
<u>College Incomplete</u>							
Successful candidates	98	11	20	20	29	11	7
Unsuccessful candidates	415	78	97	58	99	37	46
<u>Technical Accounting School</u>							
Successful candidates	78	1	4	4	30	21	18
Unsuccessful candidates	408	26	78	57	95	78	74
<u>College Incomplete and Technical School</u>							
Successful candidates	47	1	11	6	10	11	8
Unsuccessful candidates	215	7	47	16	59	46	40
<u>College Graduate (See Breakdown)</u>							
Successful candidates	459	26	69	137	163	44	20
Unsuccessful candidates	1363	188	274	367	312	132	90
<u>Total Candidates</u>							
Successful candidates	699	39	106	168	242	88	56
Unsuccessful candidates	2515	300	500	508	593	327	287
<u>Not Accounting Major</u>							
Successful candidates	88	2	18	16	33	12	7
Unsuccessful candidates	405	65	96	80	95	43	26
<u>Accounting Major</u>							
Successful candidates	291	20	40	89	112	19	11
Unsuccessful candidates	857	115	157	251	199	81	54
<u>Graduate School</u>							
Successful candidates	80	4	11	32	18	13	2
Unsuccessful candidates	101	8	21	36	18	8	10

DETAIL OF COLLEGE GRADUATE GROUP

PERCENTAGE ANALYSIS OF SUCCESSFUL AND UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

MAY AND NOVEMBER, 1949

EDUCATION	Percent Group is of Total of Sample	EXPERIENCE							Total
		No Experience	Non- Public	PUBLIC				Total	
				1-2 yrs.	2-4 yrs.	4-6 yrs.	Over 6 yrs.		
<u>SUCCESSFUL CANDIDATES</u>									
High School Only	2.4	--	11.8	5.9	58.8	5.9	17.6	100.0	
College Incomplete	14.0	11.2	20.4	20.4	29.6	11.2	7.2	100.0	
Technical Accounting School	11.1	1.3	5.1	5.1	38.5	26.9	23.1	100.0	
College Incomplete & Technical School	6.7	2.1	23.4	12.8	21.3	23.4	17.0	100.0	
College Graduate	<u>65.8</u>	<u>5.7</u>	<u>15.0</u>	<u>29.8</u>	<u>35.5</u>	<u>9.6</u>	<u>4.4</u>	<u>100.0</u>	
Total	<u>100.0</u>	<u>5.6</u>	<u>15.2</u>	<u>24.0</u>	<u>34.6</u>	<u>12.6</u>	<u>8.0</u>	<u>100.0</u>	
<u>UNSUCCESSFUL CANDIDATES</u>									
High School Only	4.5	.9	3.5	8.8	24.6	29.8	32.4	100.0	
College Incomplete	16.5	18.8	23.4	14.0	23.9	8.9	11.0	100.0	
Technical Accounting School	6.3	6.4	19.1	14.0	23.3	19.1	18.1	100.0	
College Incomplete & Technical School	8.5	3.3	21.9	7.4	27.4	21.4	18.6	100.0	
College Graduate	<u>54.2</u>	<u>13.8</u>	<u>20.1</u>	<u>26.9</u>	<u>22.9</u>	<u>9.7</u>	<u>6.6</u>	<u>100.0</u>	
Total	<u>100.0</u>	<u>11.9</u>	<u>19.9</u>	<u>20.2</u>	<u>23.6</u>	<u>13.0</u>	<u>11.4</u>	<u>100.0</u>	

CANDIDATES WHO QUALIFIED IN MAY AND NOVEMBER, 1949
 CLASSIFIED BY EDUCATION AND
 TABULATED AS TO WHEN THEY PASSED

CLASSIFICATION	Total	NUMBER OF CANDIDATES								
		1st Time	2nd Time	3rd Time	4th Time	5th Time	6th Time	7th Time	8th Time	9th Time
High School Only	17	1	4	7	2	1	1	1	0	0
College Incomplete	98	27	29	23	9	6	2	1	0	1
Technical Accounting School	78	10	18	15	10	8	10	3	2	2
College Incomplete and Technical School	47	5	16	13	6	3	2	1	1	0
Total Non-Graduates	240	43	67	58	27	18	15	6	3	3
College Graduate - Not Accounting Major	88	24	27	17	12	7	0	1	0	0
College Graduate - Accounting Major	291	81	103	68	22	6	6	0	3	2
Graduate School	80	23	30	15	7	3	2	0	0	0
Total College Graduates	459	128	160	100	41	16	8	1	3	2
Total Candidates	699	171	227	158	68	34	23	7	6	5
<u>PERCENTAGES</u>										
High School Only	100.0	5.9	23.5	41.1	11.8	5.9	5.9	5.9	--	--
College Incomplete	100.0	27.6	29.6	23.5	9.2	6.1	2.0	1.0	--	1.0
Technical Accounting School	100.0	12.8	23.1	19.2	12.8	10.3	12.8	3.8	2.6	2.6
College Incomplete and Technical School	100.0	10.6	34.0	27.7	12.8	6.4	4.3	2.1	2.1	--
Total Non-Graduates	100.0	17.9	27.9	24.2	11.3	7.5	6.3	2.5	1.2	1.2
College Graduate - Not Accounting Major	100.0	27.3	30.7	19.3	13.6	8.0	--	1.1	--	--
College Graduate - Accounting Major	100.0	27.8	35.4	23.4	7.6	2.1	2.1	--	1.0	.6
Graduate School	100.0	28.7	37.5	18.7	8.8	3.8	2.5	--	--	--
Total College Graduates	100.0	27.9	34.9	21.8	8.9	3.5	1.7	.2	.7	.4
Total Candidates	100.0	24.5	32.5	22.6	9.7	4.9	3.3	1.0	.8	.7

SUMMARY OF ATTEMPTS AT EXAMINATION BY UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

MAY AND NOVEMBER, 1949

EDUCATION	Total	NUMBER OF CANDIDATES WHO HAVE COMPLETED THEIR					Over Fifth Attempt
		First Attempt	Second Attempt	Third Attempt	Fourth Attempt	Fifth Attempt	
High School	114	43	29	18	8	10	6
College Incomplete	415	217	81	52	20	20	25
Technical Accounting School	408	152	98	63	34	17	44
College Incomplete and Technical School	216	79	51	40	19	10	17
College Graduate - Non-Major	405	210	89	44	24	16	22
College Graduate - Accounting Major	857	406	223	100	55	33	40
Graduate School	<u>101</u>	<u>49</u>	<u>20</u>	<u>10</u>	<u>14</u>	<u>5</u>	<u>3</u>
TOTAL	<u>2516</u>	<u>1156</u>	<u>591</u>	<u>327</u>	<u>174</u>	<u>111</u>	<u>157</u>
		<u>PERCENTAGES</u>					
High School	100.0	37.7	25.4	15.8	7.0	8.8	5.3
College Incomplete	100.0	52.3	19.5	12.5	4.8	4.8	6.1
Technical Accounting School	100.0	37.3	24.0	15.4	8.3	4.2	10.8
College Incomplete and Technical School	100.0	36.6	23.6	18.5	8.8	4.6	7.9
College Graduate - Non-Major	100.0	51.9	22.0	10.9	5.9	4.0	5.3
College Graduate - Accounting Major	100.0	47.4	26.0	11.7	6.4	3.9	4.6
Graduate School	<u>100.0</u>	<u>48.5</u>	<u>19.8</u>	<u>9.9</u>	<u>13.9</u>	<u>5.0</u>	<u>2.9</u>
TOTAL	<u>100.0</u>	<u>45.9</u>	<u>23.5</u>	<u>13.0</u>	<u>6.9</u>	<u>4.4</u>	<u>6.3</u>

SUMMARY OF ATTEMPTS AT EXAMINATION BY UNSUCCESSFUL CANDIDATES
CLASSIFIED AS TO EDUCATION AND EXPERIENCE

MAY AND NOVEMBER, 1949

EXPERIENCE	NUMBER OF CANDIDATES WHO HAVE COMPLETED THEIR						
	Total	First Attempt	Second Attempt	Third Attempt	Fourth Attempt	Fifth Attempt	Over Fifth Attempt
No Experience	300	227	42	20	6	2	3
Non-Public	500	285	102	55	29	15	14
Public, 1-2 years	507	240	149	62	28	14	14
Public, 2-4 years	594	284	167	75	29	18	21
Public, 4-6 years	327	75	78	75	46	29	24
Public, Over 6 years	288	45	53	40	36	33	81
Total	2516	1156	591	327	174	111	157
<u>PERCENTAGES</u>							
No Experience	100.0	75.7	14.0	6.7	2.0	.6	1.0
Non-Public	100.0	57.0	20.4	11.0	5.8	3.0	2.8
Public, 1-2 years	100.0	47.3	29.4	12.2	5.5	2.8	2.8
Public, 2-4 years	100.0	47.8	28.1	12.6	4.9	3.0	3.6
Public, 4-6 years	100.0	22.9	23.9	22.9	14.1	8.9	7.3
Public, Over 6 years	100.0	15.6	18.4	13.9	12.5	11.5	28.1
Total	100.0	45.9	23.5	13.0	6.9	4.4	6.3

DATA ON UNSUCCESSFUL CANDIDATES
SHOWING THE NUMBER WHO HAVE PASSED AND FAILED EACH SUBJECT
CLASSIFIED AS TO EDUCATION

MAY AND NOVEMBER, 1949

SUBJECT	CLASSIFIED AS TO EDUCATION				COLLEGE GRADUATES			Total
	High School Only	College Incomplete	Technical Accounting School	College Incomplete & Tech. School	Non-Major	Major	Graduate School	
<u>Auditing:</u>								
Candidates who passed	29	105	99	57	129	245	29	693
Candidates who did not pass	85	310	309	158	276	612	72	1822
Percent of passed to total	25.4	25.3	24.3	26.5	31.9	28.6	28.7	27.6
<u>Commercial Law:</u>								
Candidates who passed	50	195	172	105	224	482	61	1289
Candidates who did not pass	64	220	236	110	181	375	40	1226
Percent of passed to total	43.9	47.0	42.2	48.8	55.3	56.2	60.4	51.3
<u>Theory of Accounts</u>								
Candidates who passed	29	134	108	66	158	328	45	868
Candidates who did not pass	85	281	300	149	247	529	56	1647
Percent of passed to total	25.4	32.3	26.5	30.7	39.0	38.3	44.6	34.5
<u>Accounting Practice:</u>								
Candidates who passed	25	108	81	45	81	213	23	576
Candidates who did not pass	89	307	327	170	324	644	78	1939
Percent of passed to total	21.9	26.0	19.9	20.9	20.0	24.9	22.8	22.9

DATA ON UNSUCCESSFUL CANDIDATES
SHOWING THE NUMBER WHO HAVE PASSED AND FAILED EACH SUBJECT
CLASSIFIED AS TO EXPERIENCE

MAY AND NOVEMBER, 1949

SUBJECT	CLASSIFIED AS TO EXPERIENCE					Total	
	No Experience	Non-Public	PUBLIC				
			1-2 yrs.	2-4 yrs.	4-6 yrs.	Over 6 yrs.	
<u>Adding:</u>							
Candidates who passed	39	82	103	228	130	111	693
Candidates who did not pass	261	418	405	365	197	176	1822
Percent of passed to total	13.0	16.4	20.3	32.9	39.8	38.7	27.6
<u>Commercial Law:</u>							
Candidates who passed	169	263	283	272	147	155	1289
Candidates who did not pass	131	237	225	321	180	132	1226
Percent of passed to total	56.3	52.6	55.7	39.2	45.0	54.0	51.3
<u>Theory of Accounts:</u>							
Candidates who passed	102	153	161	223	101	128	868
Candidates who did not pass	198	347	347	370	226	159	1647
Percent of passed to total	34.0	30.6	31.7	32.2	30.9	44.6	34.5
<u>Accounting Practice:</u>							
Candidates who passed	75	103	116	156	78	48	576
Candidates who did not pass	225	397	392	437	249	239	1939
Percent of passed to total	25.0	20.6	22.8	22.5	23.9	16.7	22.9