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Planning to Obtain a Graduate Accounting Degree: Survey Evidence from Accounting Seniors

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SYNOPSIS: Graduate accounting enrollments are declining, which is concerning to accounting departments and the accounting profession. However, little is known about why some accounting students seek a graduate accounting degree, whereas others do not. Our research examines senior accounting students who plan (e.g., the grad group) or do not plan (e.g., the nongrad group) to obtain a graduate accounting degree. We focus our survey around three research questions. First, we find few differences in background characteristics between the grad and nongrad groups. Second, the grad group judges the cost/benefit of obtaining a graduate accounting degree more favorably and plans to take on less incremental debt in obtaining a graduate accounting degree. Third, relative to the nongrad group, the grad group perceives a more significant increase in four key differential career beliefs from obtaining a graduate accounting degree. Accounting programs can use our results to support enrollments in graduate accounting programs.

Data Availability: Data are available from the authors upon request.

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Keywords: graduate accounting degree; demographic characteristics; economic aspects; differential beliefs.

I. SYNOPSIS AND CONTRIBUTION TO PRACTICE

Completing a graduate accounting degree ("MSA")[1] may generate long-term career benefits in the form of promotions, compensation, and career opportunities (Almer and Christensen 2008; Brink, Norman, and Wier 2016; Frecka and Reckers 2010; Frecka, Mittelstaedt, and Stevens 2022). Additionally, MSAs are important for accounting departments, business schools, and the accounting profession. However, employers are willing to hire undergraduate accounting students, and evidence suggests that fewer undergraduate accounting students are enrolling in MSA programs (AICPA 2019, 2021, 2023). Although part of the decline in MSA enrollment is due to a decline in undergraduate accounting students ("the pipeline issue"), the percentage of undergraduate students who got an MSA in the 2020–2021 academic year is at a 12-year low (AICPA 2023).[2] Dawkins, Dugan, Mezzio, and Trapnell (2020, 28) state that the decline in MSA enrollments is "a trend that should raise concerns about the future." These concerns relate, in part, to the additional challenges facing accounting students who do not complete an MSA. For example, students with only an undergraduate accounting degree may not feel prepared for the broad range of tasks they will face

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[1] Accounting-based graduate degrees include Master of Science in Accounting (MSA), Master of Accountancy, Master of Taxation, and others. We refer to all graduate accounting degrees as "MSA" throughout the paper. Our reference to MSA degrees assumes a continuation of the accounting undergraduate experience. Some MSA degrees may refer to a degree for nonaccounting students to obtain accounting skills; we do not consider this type of MSA degree.

[2] Using the 2023 AICPA Trends Report, we calculated master's degree completions as a percentage of the prior year bachelor's degree completions.

(Saunders, Keune, and Hawkins 2023). Also, students with only an undergraduate accounting degree seeking to become a CPA must complete 150 credit hours and, presumably, find time to study for the CPA exam while working. Although concerning, relatively little is known about why some undergraduate accounting students plan to enroll in an MSA program, whereas others do not.[3]

The purpose of this study is to provide evidence on factors (characteristics and beliefs) that are related to accounting seniors' plans to obtain an MSA. We report the results of a survey of accounting seniors enrolled in a required undergraduate auditing course at a large U.S. public research university. In our analysis, we distinguish between accounting seniors planning to obtain an MSA (i.e., the grad group) and accounting seniors planning not to obtain an MSA (i.e., the nongrad group).

We primarily report descriptive statistics about the responses of participants in the grad and nongrad groups. We find that few of the background characteristics differ between students in the grad and nongrad groups. We find that the grad participants are more likely than nongrad participants to plan on obtaining a CPA license. Additionally, compared to nongrad participants, grad participants believed they would have time to work while attending grad school, expected to take on less incremental debt, and perceived a positive overall cost/benefit of an MSA. Further, having time to focus on the CPA exam and the ability to learn additional technical knowledge and data and analytics skills had a greater influence on the grad group compared to the nongrad group. However, the cost of graduate tuition and living expenses, delaying the start of their career, and their perceived ability to be admitted to an MSA program had a greater influence on the nongrad group compared to the grad group.

Lastly, we explore participants' educational and career beliefs. Grad and nongrad participants have similar educational and career beliefs about obtaining an undergraduate degree. In contrast, grad and nongrad participants held different differential beliefs (i.e., beliefs from obtaining a graduate degree versus beliefs about obtaining an undergraduate degree alone). Our findings suggest that grad participants, compared to nongrad participants, generally perceived an MSA as significantly improving educational and career outcomes. In additional analysis reporting in Appendix A, we present results from logistic regression analysis also showing that differential career beliefs are predictive of plans to obtain an MSA.

Overall, based on our results, we offer several potential steps that accounting department administrators and professionals could take to increase the MSA pipeline. First, administrators should identify well-qualified upper-division accounting students and directly inform these students that they can be admitted to an MSA program. Second, when communicating with undergraduate lower- and upper-division accounting students about the benefits of completing an MSA, administrators and professionals should focus on the opportunities for finding more interesting work and greater job variety. Communications should also mention the possibility of working part-time while in an MSA program and the availability of scholarships for MSA students, which could offset some of the financial burden of completing an MSA. Third, if true, professionals should explicitly communicate to lower- and upper-division undergraduate accounting students their willingness to defer the employment start date to allow students to attend an MSA program.

II. RESEARCH QUESTIONS

Our research investigates why some undergraduate accounting students plan to obtain an MSA, whereas others do not. We advance three research questions. Our first research question focuses on students' background characteristics. To our knowledge, research has not explored whether demographic and/or academic background characteristics are related to accounting seniors' plans to obtain an MSA.

The second research question focuses on the economic aspects related to obtaining an MSA. Anecdotally, accounting academics and professionals have suggested that economic aspects play an important role in students' decisions to obtain an MSA. On one hand, attending an MSA program is costly, including tuition and delaying the start of one's professional career. On the other hand, attending an MSA program may lead to economic and noneconomic benefits. For example, by attending an MSA program, students can learn new technical knowledge, develop expertise in data analytics, improve their soft skills, and gain credit hours. These outcomes may improve immediate job prospects and/or subsequent career outcomes. To address this question, we ask participants to indicate the influence of these costs and benefits on deciding whether to obtain an MSA.

[3] In contrast, accounting researchers have exhibited an ongoing interest in exploring undergraduate students' choice to major in accounting (Blay and Fennema 2017; Brown and Tegeler 2022; Cohen and Hanno 1993; Enget, Garcia, and Webinger 2020; Felton, Buhr, and Northey 1994; Geiger and Ogilby 2000; Gul, Andrew, Leong, and Ismail 1989; D. Hermanson, R. Hermanson, and Ivancevich 1995; Jordan, Kaplan, and Samuels 2023; Leiby and Madsen 2017; Lowe and Simons 1997; Madsen 2015; Mauldin, Crain, and Mounce 2000; Paolillo and Estes 1982; Saemann and Crooker 1999; Stice, Swain, and Worsham 1997; Swain and Olsen 2012; Tan and Laswad 2006, 2009).

The third research question considers whether accounting seniors' beliefs about educational and career-related outcomes differ between the grad and nongrad groups. For example, consider the following statement: "My first full-time job after completing my education will involve interesting work." Participants indicate their belief in this statement based on completing only an undergraduate accounting degree and again based on completing an MSA. The difference in these two responses is called a "differential belief." To address this question, we determine whether differential beliefs differ between the grad and nongrad groups. In addition, in Appendix A, we also address this question by exploring the importance of four key career-related differential beliefs on the likelihood that participants plan to obtain an MSA.

III. METHOD

Participants

We survey undergraduate students enrolled in a required auditing course at a large U.S. public research university. These students are typically accounting majors in the last semester of their senior year and have likely considered starting their professional careers immediately after completing their undergraduate degree or after completing an MSA. Thus, we believe our survey participants are a key audience for an MSA program.

The survey was administered online at the end of the Spring 2023 semester. To encourage participation, students were offered minimal extra credit for completing the survey.[4] Of the 191 students enrolled in the course, 141 students completed the survey (75 percent response rate). Of these 141 responses, 30 students indicated that they were unsure of whether they would get an MSA prior to starting full-time work and were dropped from our sample. Thus, as expected, the vast majority (79 percent) of students completing the survey have made plans either to obtain an MSA prior to starting full-time work or to start full-time work immediately. Four students were not majoring in accounting,[5] one student completed few survey questions, and three students planned on a graduate degree other than an MSA (e.g. MS-Finance). After dropping these participants, our final sample included 103 participants.

Survey Instrument

The survey consists of four categories of questions or statements. The first category includes questions about participants' academic background, professional goals, and plans to obtain an MSA prior to starting a full-time job. Based on this last question, we identified 54 (49) participants (not) planning to obtain an MSA prior to starting a full-time job. We refer to the 54 (49) students as grad (nongrad) participants or members of the grad (nongrad) group.[6]

The second category included 12 career or educational belief statements.[7] These included belief statements about interesting work ("My first full-time job after completing my education will involve interesting work"), job security ("I will always have the ability to get a job with this education"), job variety ("My education will give me a good foundation for many different kinds of jobs"), and earnings potential ("My education will allow me to have high future earnings").

Participants respond to each statement twice. First, participants respond to the statement assuming they started full-time work after completing their undergraduate program. Second, participants respond to the statement assuming they started full-time work after obtaining an MSA. For each statement, participants select one of six responses from a drop-down menu ranging from strongly agree to strongly disagree.

The third category included two sets of statements. The first set included a series of ten potential benefits or costs of obtaining an MSA prior to starting one's full-time career. For example, "delaying the start of my career" represents a potential cost to obtaining an MSA prior to starting full-time work, whereas "time to focus on the CPA exam prior to starting my full-time job" represents a potential benefit to obtaining an MSA prior to starting full-time work. Participants were asked to indicate how much each item influenced their decision to seek an MSA. Participants selected one of the seven responses from a drop-down menu ranging from significantly negative influence to significantly positive influence.

The second set of statements included a series of four statements relating to the economic aspects of obtaining an MSA and how informed they feel about the pros and cons of obtaining an MSA prior to starting a full-time job. Participants indicated the extent of their agreement with each statement by selecting one of the seven responses from a drop-down menu ranging from strongly disagree to strongly agree.

[4] The survey was approved by the authors' Institutional Review Board. Students who did not want to participate in the survey were offered an alternative extra credit assignment.
[5] These students were nonaccounting majors taking the auditing course as part of a program to enter an MSA.
[6] Some tests include fewer participants if participants left that the question blank. The number of participants for each test are shown in the tables.
[7] The 12 educational and career belief statements are largely based on a recent study by Jordan et al. (2023).

The fourth category included demographic questions, as well as two items to self-assess their current education-related debt and their estimated education-related debt, assuming they enrolled in an MSA program. The median time to complete the survey was 11.2 minutes.

IV. RESULTS

Descriptive Statistics for Grad and Nongrad Participants

Our first research question asks whether background characteristics of participants in the grad and nongrad groups differ. As shown in Table 1, participants in the grad (column (1)) and nongrad (column (2)) groups do not differ significantly on most background characteristics. A higher proportion of grad participants compared to nongrad participants planned to obtain a CPA license and had received an undergraduate scholarship. Our results suggest that scholarships may be important to students considering obtaining an MSA.

The second research question focuses on participants' perceptions about the economic aspects of obtaining an MSA and their ratings of the relative influence of benefits (pros) and costs (cons) of obtaining an MSA. Table 2, Panel A presents participants' perceptions of economic items and whether they differ between grad and nongrad participants. As shown in the first row of Table 2, Panel A, their perceptions about being informed about the pros and cons of obtaining an accounting graduate degree did not differ. However, the means were only slightly above the "slightly agree" rating of 5, suggesting that accounting seniors, on average, could be more informed about the pros and cons of obtaining an MSA.

The grad and nongrad groups differ significantly on several of the remaining economic items. First, grad participants are more likely to believe they will have time to work while attending an MSA program. This suggests that students are more likely to plan on obtaining an MSA when they believe they will be able to work while enrolled in grad school. Second, compared to nongrad participants, grad participants indicate that receiving a graduate scholarship would increase their plans to obtain an MSA. Third, the total money expected to be borrowed by enrolling in an MSA program, and the incremental debt of attending graduate school (e.g., the difference between each participant's response for undergraduate borrowings and total borrowing if enrolling in an MSA program), is significantly higher for nongrad participants. One reason for this difference in graduate (and incremental) borrowings may be that the grad participants, relative to nongrad participants, believe they have time to work while attending an MSA program, thus reducing the amount they need to borrow. Lastly, grad participants indicate stronger agreement with respect to the relative value of an MSA. This might reflect grad participants basing their views of relative value on their incremental debt.

Table 2, Panel B shows that grad participants view the costs of attending grad school less negatively and the benefits more positively compared to nongrad participants. The first four items represent potential costs. Grad and nongrad groups differed significantly on three of the four potential costs. Compared to nongrad participants, grad participants rated the following costs as having a smaller negative influence on their decision to obtain an MSA: tuition and living expenses of attending an MSA program; delaying the start of one's career; and one's ability to be admitted to an MSA program. Interestingly, the two groups did not differ in their perceptions of their ability to succeed in an MSA program. The remaining six items shown in Table 2, Panel B represent potential benefits. Grad and nongrad participants differed significantly for five of six potential benefits. Compared to nongrad participants, the grad participants rated the following benefits as having a larger positive influence on their decision to obtain an MSA: additional technical knowledge; additional data and analytics knowledge; time to focus on the CPA exam; the impact of an MSA on future career promotions and salary; and obtaining additional credit hours. The grad and nongrad participants did not differ significantly in their perceptions about additional soft skills that one would learn in an MSA program. Overall, grad and nongrad participants showed significant differences in their perceptions of both the economic aspects and the costs and benefits of attending an MSA program.

The third research question focuses on the relation between participants' differential beliefs and their plans to obtain an MSA. Table 3 presents descriptive information about grad and nongrad groups' agreement with a series of 12 belief statements related to their education and professional career. The first four columns of Table 3 present beliefs assuming that only an undergraduate degree or both an undergraduate degree and an MSA were completed prior to starting work. These columns are used to construct the differential beliefs (in columns (5) and (6)) by taking the MSA belief minus the undergrad belief. Differential beliefs greater than 0 indicate that adding an MSA degree prior to starting work increases the agreement with that statement, whereas beliefs less than 0 indicate that adding an MSA degree prior to starting work decreases the agreement with that statement. A differential belief of 0 indicates that adding an MSA prior to starting work has no effect.

TABLE 1

Background Characteristics of Participants by Accounting Graduate Degree Plans

	Grad Group[a] (n = 54)[c]	Nongrad Group[b] (n = 49)[c]	p-value of Comparison
Age (*Age*)	22.7	24.4	0.09
	(3.7)	(5.7)	
Gender (*Gender*)			
Male	38.9%	53.1%	0.18
Female	57.4%	46.9%	
Prefer not to answer	3.7%	0.0%	
Residency			
In-state	72.2%	71.4%	0.84
Out-of-state	24.1%	22.5%	
International	3.7%	6.1%	
Underrepresented minority status (*URM*)			
Yes	24.1%	22.4%	0.85
No	75.9%	77.6%	
First generation status: Parents or people who raised you (*FirstGen*)			
No one had a college degree—First generation	29.6%	30.6%	0.91
One or more people had a college degree—Not first generation	70.4%	69.4%	
Parent, relative, or family friend is accountant (*AcctContact*)			
Yes	55.6%	46.9%	0.38
No	44.4%	53.1%	
Overall GPA (where A+ = 4.33 and C = 2.00)[d]	3.7	3.5	0.08
	(0.3)	(0.4)	
Upper division accounting GPA[d]	3.4	3.3	0.35
	(0.5)	(0.6)	
When completing your undergraduate degree, total undergraduate credit hours[d]	135.8	138.4	0.46
	(17.3)	(18.9)	
Plan on obtaining a CPA license			
Yes	100.0%	65.3%	<0.01
No	0.0%	34.7%	
Currently working			
No	33.3%	38.8%	0.57
Yes	66.7%	61.2%	
For students who are working, average hours/week[d]	24.0	27.3	0.23
	(10.4)	(11.9)	
Accounting internship			
No	25.9%	38.8%	0.16
Yes	74.1%	61.2%	
Have you received a scholarship?			
No	16.7%	22.5%	0.05
Yes, undergraduate only	72.2%	77.5%	
Yes, can be used for undergraduate or graduate	11.1%	0.0%	

[a] These participants indicated that they planned to obtain a graduate accounting degree.
[b] These participants indicated that they planned not to obtain a graduate accounting degree.
[c] Four variables had fewer responses, as some participants left a question blank. This included overall GPA and total undergraduate credit hours, which only had 53 grad group responses. Upper-division accounting GPA only had 50 grad group responses and 46 nongrad group responses. Additionally, average hours worked per week only included students who indicated that they worked. This included 36 participants in the grad group and 30 participants in the nongrad group.
[d] Numbers reflect means with standard deviations in parentheses.

TABLE 2

Perceptions about Attending a Graduate Accounting Program

Panel A: Economic Perceptions of Attending a Graduate Accounting Program

	Grad Group (n = 54)[d]	Nongrad Group (n = 49)
I feel I am very informed about the pros and cons of obtaining an accounting graduate degree prior to starting a full-time job.[a] (*ProsAndCons*)	5.24 (1.43)	5.16 (1.68)
I will/would have time to work while attending a graduate accounting program.[a] (*TimeToWork*)	4.39 (1.75)	3.41** (1.91)
Receiving a scholarship to attend a graduate accounting program would make me more likely to consider attending a graduate accounting program.[a] (*GradScholarship*)	6.41 (1.19)	5.41** (1.87)
By the time you complete your undergraduate education, how much money will you have borrowed?[b] (*UndergradDebt*)	19.77 (31.26)	21.30 (23.90)
Assuming you enroll in a graduate accounting degree (even if you are not planning to enroll), how much total money would you need to borrow by the time you graduate?[b] (*GradDebt*)	33.64 (35.37)	53.20** (33.08)
Incremental debt of attending graduate school.[c] (*IncrementalDebt*)	13.87 (31.42)	31.88** (23.06)
The cost of getting an accounting graduate degree is worth the value it delivers.[a] (*CostValue*)	5.44 (1.45)	4.31** (1.70)

** Indicates significant difference between accounting graduate degree and no accounting graduate degree at $p < 0.01$.

[a] Participants responded to these statements as a seven-point scale, where 1 = Strongly Disagree, 4 = Neutral, and 7 = Strongly Agree. Numbers reflect means with standard deviations in parentheses.

[b] Participants were told: "Think about the cost of your education (e.g., tuition, fees, and living expenses) and any money you have or will borrow for your education." Participants answered on a 100-point scale and were told that "Zero is not borrowing any money; 100 is borrowing a very significant amount of money."

[c] Calculated as the amount of *GradDebt* less the amount of *UndergradDebt*.

[d] Only 53 grad participants responded to the three debt questions (*UndergradDebt*, *GradDebt*, and *IncrementalDebt*).

Panel B: Perceptions about the Benefits and Costs of Attending a Graduate Accounting Program[a]

	Grad Group (n = 54)[b]	Non-Grad Group (n = 49)
The tuition and living expenses of attending a graduate accounting program. (*GradCost*)	2.89 (1.77)	2.06* (1.77)
Delaying the start of my career. (*DelayCareer*)	3.44 (1.41)	2.47** (1.49)
My ability to be admitted to a graduate accounting program. (*AdmitAbility*)	4.76 (1.36)	4.04** (1.06)
My ability to succeed in a graduate accounting program. (*SuccessAbility*)	4.81 (1.51)	4.41 (1.61)
The additional technical knowledge in accounting, audit, and/or tax that I would learn in a graduate accounting program. (*AddlTechnicalSkills*)	6.26 (1.14)	5.53** (1.26)
The additional data and analytics skills that I would learn in a graduate accounting program. (*AddlDASkills*)	6.07 (1.16)	5.39** (1.22)
The additional soft skills (e.g., communication and critical thinking) that I would learn in a graduate accounting program. (*AddlSoftSkills*)	5.39 (1.45)	5.04 (1.04)
The time to focus on the CPA Exam prior to starting my full-time job. (*TimeCPA*)	5.33 (1.94)	3.98** (1.93)

(continued on next page)

TABLE 2 (continued)

	Grad Group (n = 54)[b]	Non-Grad Group (n = 49)
The impact of a graduate accounting degree on my future career promotions and future salary. (*FutureImpact*)	6.22 (1.08)	5.43** (1.46)
Obtaining additional credit hours in a graduate accounting program. (*AddlCredits*)	5.72 (1.43)	4.92** (1.57)

*, ** Indicate significant difference between accounting graduate degree and no accounting graduate degree at $p < 0.05$ and $p < 0.01$, respectively.

[a] Participants were asked, "In thinking about the pros and cons of obtaining a graduate accounting degree prior to starting your full-time career, to what extent did (or will) each of these items influence your decision?" Participants responded to these statements as a seven-point scale, where 1 = Significantly Negative Influence, 4 = Neutral, and 7 = Significantly Positive Influence. Numbers reflect means with standard deviations in parentheses.

[b] Only 52 grad participants responded to "My ability to succeed in a graduate accounting program" (*SuccessAbility*).

An interesting observation from Table 3 is that grad participants have a stronger belief than nongrad participants that an MSA will increase their soft skills. However, the two groups did not differ in the degree to which the additional soft skills influenced their decision to pursue an MSA (Table 2, Panel B).

To analyze the third research question, columns (5) and (6) report descriptive statistics for differential beliefs, for grad and nongrad participants, respectively, and whether the mean differential belief is significantly different from 0. The differential belief mean score for grad participants (column (5)) is significantly greater than 0 for 11 of the 12 differential belief statements, including having a high starting salary, interesting work, variety of jobs, high future earnings, rapid career advancement, and strong soft skills. For grad participants, the largest differential belief means were for an MSA to increase technical knowledge and data and analytics skills. The differential belief mean score for nongrad participants (column (6)) is significantly greater than 0 for only seven of the 12 belief statements, including high starting salary, rapid career advancement, strong technical skills, and strong data and analytics skills. Unlike the grad group, the nongrad group believes that obtaining an MSA does not impact interesting work, ability to get a job, variety of jobs available, and soft skills.

Lastly, column (7) reports whether the means for grad participants (column (5)) significantly differ from the means for nongrad participants (column (6)). As shown, the grad group's mean is significantly larger than the equivalent nongrad group's mean in nine of the 12 differential beliefs, including involving interesting work, always having the ability to get a job, having high future earnings, rapid career advancement, strong technical skills, and strong data and analytics skills. Overall, it is important to highlight two key takeaways from Table 3. First, grad and nongrad participants, with one exception, hold similar educational and career beliefs, assuming that only the undergraduate degree had been completed. Second, assuming completion of an MSA, grad participants consistently increase their beliefs of positive educational and career outcomes and to a greater extent compared to nongrad participants.

V. IMPLICATIONS

Our research investigates the factors that distinguish accounting seniors who plan to seek an MSA from those with other plans. Before discussing the implications, we note that our survey was administered at a university where employers are willing to hire accounting graduates with either an undergraduate or graduate degree with little to no difference in starting salary. Potentially, the experiences, expectations, and judgments of these accounting students differ from those of other universities. This could be explored by future research.

A potential implication relates to our finding that grad participants have strong plans to obtain a CPA license. Based on this finding, accounting programs might consider touting how their MSA can help students achieve this goal. Although this could help, the benefits of this approach may be short-lived. Increasingly, academics and state societies have suggested that the required credit hours for CPA licensure should be reduced to 120 hours (Dawkins 2023; Dawkins and Dugan 2022). If the required credit hours are reduced to 120, future accounting students who plan to obtain a CPA license may see less benefit of an MSA.

Going forward, we believe that it will be increasingly important for accounting programs to emphasize other benefits of obtaining an MSA. In particular, we believe that accounting programs have to demonstrate to accounting undergraduates that an MSA offers career-changing opportunities. Our research finds that students interested in an MSA believe that it can lead to more interesting work and a greater variety of jobs. MSA program administrators need to

TABLE 3

Beliefs Assuming an Undergraduate Accounting Degree or a Graduate Accounting Degree

	Belief Assuming an Undergraduate Accounting Degree[a]		Belief Assuming a Graduate Accounting Degree[a]		Differential Beliefs[b]		
	Grad Group (n = 54)	Nongrad Group (n = 49)	Grad Group (n = 54)	Nongrad Group (n = 49)	Grad Group (n = 54)	Nongrad Group (n = 49)	Significant Difference in Means
My first full-time job after completing my education will involve interesting work. (*InterestingWork*)	4.41 (0.94)	4.55 (0.89)	4.80 (0.92)	4.39* (1.10)	0.39++ (0.90)	−0.16 (1.07)	Yes**
I will always have the ability to get a job with this education. (*JobSecurity*)	4.72 (1.11)	5.06 (0.69)	5.37 (0.85)	5.27 (1.04)	0.65++ (0.93)	0.20 (0.98)	Yes*
My education will give me a good foundation for many different kinds of jobs. (*JobVariety*)	4.72 (0.96)	5.06* (0.66)	5.37 (0.76)	5.14 (1.08)	0.65++ (0.95)	0.08 (0.98)	Yes**
My education will allow me to have high future earnings. (*FutureEarnings*)	4.83 (0.97)	5.14 (0.71)	5.54 (0.86)	5.45 (0.87)	0.70++ (0.82)	0.31++ (0.80)	Yes**
My first full-time job after completing my education will have a high starting salary. (*StartingSalary*)	3.74 (1.17)	3.67 (1.18)	4.70 (1.21)	4.29 (1.34)	0.96++ (0.99)	0.61++ (1.32)	No
People I care about will be proud of me when I complete my education. (*Proud*)	5.30 (0.88)	5.37 (0.76)	5.70 (0.63)	5.47 (1.02)	0.41++ (0.74)	0.10 (0.82)	Yes*
I will not have to work too hard to complete my accounting education. (*WorkHard*)	2.52 (1.13)	2.73 (1.34)	2.11 (1.33)	2.16 (1.28)	−0.41++ (1.04)	−0.57++ (0.96)	No
My career will offer good work/life balance. (*Balance*)	3.89 (1.22)	3.96 (1.19)	3.72 (1.29)	3.53 (1.28)	−0.17 (0.69)	−0.43++ (0.96)	No
I will advance rapidly in my career. (*AdvanceRapidly*)	3.98 (1.07)	4.33 (0.88)	4.87 (0.93)	4.76 (0.92)	0.89++ (0.90)	0.43++ (1.02)	Yes*
Based on my education, I will have strong technical knowledge in accounting, audit, and/or tax. (*TechnicalSkills*)	4.15 (1.16)	4.51 (0.96)	5.28 (0.92)	5.04 (1.10)	1.13++ (0.93)	0.53++ (0.89)	Yes**
Based on my education, I will have strong data and analytics skills. (*DASkills*)	4.07 (0.99)	4.37 (0.88)	5.17 (0.84)	4.88 (0.88)	1.09++ (0.85)	0.51++ (0.96)	Yes**
Based on my education, I will have strong soft skills (e.g., communication and critical thinking). (*SoftSkills*)	4.74 (1.05)	4.45 (1.00)	5.13 (1.01)	4.55* (1.08)	0.39++ (0.56)	0.10 (0.74)	Yes**

*, ** Indicate significant difference between graduate and undergraduate degrees at $p < 0.05$ and $p < 0.01$, respectively.

++ Indicates the value is significantly different than 0 at $p < 0.01$.

[a] Participants responded to these questions for both undergraduate and graduate degrees on a six-point scale, where 1 = Disagree Strongly and 6 = Agree Strongly. Numbers reflect means with standard deviations in parentheses.

[b] Calculated as participant's response about graduate degree minus response about undergraduate degree. Numbers reflect means with standard deviations in parentheses. A positive mean indicates that they agree more strongly about the statement for graduate degree than undergraduate degree. A negative mean indicates that they agree more strongly about the statement for undergraduate degree than graduate degree.

assess the extent to which their programs are developing key competencies and skills demanded by the marketplace. For example, MSA programs can tangibly enhance their students' data and analytics knowledge and skills that will be valued by employers. In addition, MSA programs can tangibly enhance their students' soft skills via improved writing, presenting, and working in teams. In addition, and perhaps most importantly, accounting undergrads may especially respond to learning that obtaining an MSA can generate a broader range of employment opportunities with potentially greater interest. These employment opportunities could relate to sustainability, sports management, or forensic accounting.

In closing, we encourage further research to further explore accounting seniors' decisions to obtain an MSA. Such research could focus on whether and how accounting seniors' decisions can be changed via informational campaigns. For example, one campaign could offer specific, tangible data and analytic competencies and skills that will be gained from an MSA, while a second campaign could focus on how an MSA could increase the range and interest of employment opportunities.

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APPENDIX A

Multivariate Logistic Regression with Differential Career Beliefs

The first four rows of Table 3 provide information about four key beliefs and differential beliefs related to interesting work, job security, job variety, and future earnings, respectively. In a recent paper, Jordan et al. (2023) show the importance of these four key differential career beliefs on students' choice of major. As discussed above, each of the four differential beliefs is significantly larger for the grad participants compared to the nongrad participants. However, the analysis of Table 3 considers each differential belief by itself, without considering other differential beliefs or other participant characteristics. We apply logistic regression analysis to examine the effect of these four differential career beliefs and several background characteristics (e.g., age, gender, underrepresented minority status, first-generation status, and knowing an accountant) on the likelihood that participants plan to obtain an MSA. Given its significance, we also include incremental debt as an additional variable in the logistic regression model. This analysis allows us to examine the effect of the four differential career beliefs while controlling for participants' background characteristics.

Table A1, Panel A presents a partial correlation table among the four differential career beliefs. As shown, the correlations among the four differential career beliefs are quite high, ranging from 0.48 to 0.69. These high correlations, which are much higher than reported by Jordan et al. (2023), indicate that multicollinearity is a major concern and, consequently, prevents us from including these four variables in the same logistic regression model. Instead, we include each of the four differential career beliefs in a separate logistic regression model. In the logistic regression, the dependent variable is participants' plans to obtain an MSA. For the dependent variable, participants in the grad group are coded 1, and participants in the nongrad group are coded 0. The independent variable for each model is one of the four differential career beliefs plus the six background characteristics, including self-assessed perceptions of incremental debt of obtaining an MSA.

Table A1, Panel B presents the results from the four logistic regression models. Overall, all four models are significant (Model Chi-square range from over 24 to almost 29, $p < 0.01$).[8] As shown in Table A1, Panel B, the coefficient on the differential career beliefs for *JobVariety* is positive and highly significant ($p < 0.01$), and this model has the highest McFadden Pseudo R^2 and the lowest Akaike information criterion (AIC), suggesting the *JobVariety* is the strongest predictor of whether a student plans on obtaining an MSA. The positive coefficient indicates that larger differential career

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[8] All four models pass the Hosmer and Lemeshow test with a p-value of 0.25 or higher, indicating that the models are a good fit for the data. The McFadden Pseudo R^2 ranges from 0.17 to 0.20, and the AIC ranges from 128.38 to 133.14.

APPENDIX A (continued)

TABLE A1

Logistic Regression of Differential Career Beliefs and Background Characteristics

Panel A: Sample Correlations among the Four Differential Career Belief Variables

	InterestingWork	*JobSecurity*	*JobVariety*	*FutureEarnings*
InterestingWork	1.00	0.49	0.52	0.48
JobSecurity		1.00	0.69	0.52
JobVariety			1.00	0.58
FutureEarnings				1.00

This table presents Pearson correlations among the four differential career beliefs. All correlations have two-tailed significance at $p < 0.01$. Differential career belief variables are defined in Table 3.

Panel B: Logistic Regression of Differential Career Beliefs and Background Variables

Variable	Model 1	Model 2	Model 3	Model 4
Intercept	1.05	0.61	0.52	0.87
InterestingWork	0.72**	NA	NA	NA
JobSecurity	NA	0.82**	NA	NA
JobVariety	NA	NA	0.98***	NA
FutureEarnings	NA	NA	NA	0.81**
IncrementalDebt	−0.03***	−0.03***	−0.03***	−0.02***
Age	−0.08	−0.07	−0.08	−0.09
Gender	0.75*	0.83*	0.92**	0.61
URM	0.12	−0.11	−0.12	0.19
FirstGen	0.31	0.09	0.37	0.44
AcctContact	0.17	0.37	0.41	0.45
Model Chi-Square	25.34	25.10	28.87	24.10
df	7	7	7	1
p-Value	<0.01	<0.01	<0.01	<0.01
c-Statistic	0.77	0.77	0.77	0.76
Hosmer-Lemeshow p-value	0.69	0.31	0.32	0.25
McFadden Pseudo R^2	0.18	0.18	0.20	0.17
AIC	131.90	132.15	128.38	133.14

***, **, * Indicate $p < 0.01$, $p < 0.05$, and $p < 0.1$, respectively (two-tailed).

Variable Definitions:
The Dependent Variable is 1 if a student plans to obtain a graduate accounting degree, and 0 if a student does not plan to obtain a graduate accounting degree.
InterestingWork, *JobSecurity*, *JobVariety*, and *FutureEarnings* are defined in Table 3.
IncrementalDebt is defined in Table 2, Panel A.
Age = the age of student in years at time of survey;
Gender = 1 if male, 2 if female, 3 = nonbinary/third gender, 4 = prefer not to say;
URM = 1 if the student is a member of an underrepresented minority (Black, Hispanic/Latinx, Native American); 0 otherwise;
FirstGen = 1 if student is the first in his/her family to attend college; 0 otherwise; and
AcctContact = 1 if the student has a parent, relative, or friend who is an accountant; 0 otherwise.

beliefs for *JobVariety* increase the odds of a participant obtaining an MSA. The results for the other three models show that the coefficients on differential career beliefs for *InterestingWork*, *JobSecurity*, and *FutureEarnings* are positive and significant ($p < 0.05$). For all four models, the coefficient for *IncrementalDebt* is negative and highly significant ($p < 0.01$), indicating that beliefs about the incremental debt of graduate school significantly reduce the likelihood of attending an MSA program. Overall, our multivariate analysis shows that each of the four differential career beliefs plays

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APPENDIX A (continued)

a significant role in explaining students' plans to obtain an MSA after controlling for incremental debt and background characteristics.

We supplement our analysis of differential career beliefs with a companion analysis of career beliefs assuming completion of an MSA before starting full-time work. This analysis is identical to the above analysis, except that each of the four differential career beliefs is replaced with the students' belief assuming an MSA degree has been completed (using Table 3, columns (3) and (4)). The untabulated results are substantially weaker, especially for career beliefs. None of the coefficients for any of the four career beliefs about completing an MSA are significantly associated with plans to obtain an MSA. However, incremental debt remains negatively and highly significant ($p < 0.01$).[9] Overall, this additional analysis suggests that, relative to absolute career beliefs assuming completion of an MSA, differential career beliefs possess stronger predictive ability about participants' plans to obtain an MSA and explain more of the variance of participants' plans to obtain an MSA. Thus, understanding differential career beliefs about an MSA versus undergraduate degree only is important information in evaluating factors influencing the likelihood that someone will plan to obtain an MSA.

[9] The model Chi-squares are much lower (ranging from 17.40 to 19.36), and the AICs are higher (ranging from 137.9 to 139.85). The McFadden Pseudo R^2 drops to a range of 0.12 to 0.14.