THE FAILURE STRATEGY OF LEARNING IN ACCOUNTING, FINANCE AND LAW

R. Abreu¹, L. Segura², J. Legčević³

¹Instituto Politécnico da Guarda - UDI-IPG; CICF-IPCA; CISeD-IPV (PORTUGAL)
²Universidade Presbiteriana Mackenzie (BRAZIL)
³Pravni fakultet Osijek, Sveučilište Josipa Jurja Strossmayera u Osijeku (CROATIA)

Abstract

The failure strategy of learning on the area of accounting, finance and law that it has been used as an experimental teaching methodology. Indeed, the accountant must learn the new tendencies of the market and does not limit his or her performance to give only the true and fair view of the financial statements of the businesses and entities. Indeed, the key methodology to effective teaching is to have clear learning objectives, such as: transparent career paths and job satisfaction. The authors agree with [1], because today’s changing market landscape, the bookkeeping, accounting and consulting profession has focused on how to remain relevant when technology is taking over many of the functions they currently perform and redundancy is a real risk. Certainly, the information asymmetry could be mitigating between the student and her or him environment to recognize the importance of the talent and the improvising. These will reduce the strong regulation of the profession based on laws, norms and regulations that empower the protection and the well-being of the student. Also, the creation of opportunities and challenges for the student is believed that it is on-the-job learning is effective [2].

On the on e hand, the theoretical framework of this paper is based on literature about accounting, finance and law [3], in general, and learning and teaching [4], in particular. Furthermore, the learning and teaching area of research will help the student with knowledge, competences and expectations, that it will attract talent of the student to the learning process [5]. On the other hand, the empirical analysis reflects practices in the accounting, finance and law on the teaching process.

The paper will answer to three research questions:

• 1st question: the clear understanding of the importance of the effective communication and learning process will develop the knowledge and skills to tackle issues around trust, ethics and good governance in business essential for the student;
• 2nd question: the power of the methodology will ensure that the teaching process will contribute to a more dynamic behaviour of the student, as well as, will improve her or him learning process;
• 3rd question: the decision-making framework will create more resilient and adaptive businesses and entities, as well as, diminishing anti-corruption behaviour.

The structure of the paper is organized as follows. Section 1 explains, on the introduction of the paper, the teaching process of the professor and the learning process of the student. Section 2 gives an overview of the failure strategy of teaching and learning process through the accounting, finance and law sciences. Section 3 presents results, beyond the traditional focus of the annual report. This section enlarges the role of the accountant to enhances the credibility and the trust, internal and externally, of the student on the accounting, finance and law sciences. Finally, the section 4 argues with conclusions and promotes future research lines, knowing that teaching and learning process give to the systematic running of the market by enlightening the confidence of the student on the labour market.

Keywords: Learning, Teaching, Failure Strategy, Accounting, Finance, Law, Curriculum design.

1 INTRODUCTION

In recent years, there is a declining interest of the student on his or her presence on classes of the bachelor degree promoted by the Higher Education Institutions (HEI). Even, it has led to steep enrolment decreases in many degrees (i.e. engineering) [6] While many of other degrees has increase, due to new methodologies that deal with these academic difficulties, many others absorber
very good students who leave the HEI with higher level of satisfaction with their degree. Within the Bachelor of Science on Accounting, Finance and Law on the Guarda Polytechnic Institute [7], the empirical analysis is chosen as teaching methodology and evaluation of failure strategy of learning. Diverse literature in the area of accounting, finance and law has devoted their attention to the issue of failure on the teaching and learning process. For [8] explains that the definition is “On the basic causes for failure is that we do not have more teachers who are interested in science teaching who are willing to admit there are failures and are willing to give conscientious thought to how they may improve the quality of their work.” For [9] learning is defined by “integration of mental contents and functions to promote versatility and formation of individuality and personal identity.

The relationships between the professor and the student, under the failure strategy of teaching and learning, involving some conflicts, especially, in the case of lack of competences and knowledge of the student. However, this gap analysis is usually not perceived by the professor, so that there is asymmetric information between how the students perceive their teaching.

Consequently, the ability to argue and to justify some mistakes made on the empirical analysis will understand how students face the lack of knowledge whenever the essential requirements of disclosure is not fulfilling prescribed in accounting, finance and law sciences, as there is diversity of interests involved in it, as well as, in the Annual Report [3].

For [10] defend that direct explanations as clearly as possible made by professor to the student, takes considerable time and effort to learn, especially, when the questions of interest change from accounting to law, to understand the institutional details of the accounting amounts being studied, and to develop research designs capable of addressing research questions that correspond to questions of interest. As financial markets expand and become more complex and accounting standards attempt to keep pace with these changes, it is a challenge for accounting research to make a substantive contribution in addressing questions relevant to standard setting [3].

Thus, as [11] details, the teacher must promote motivational patterns that contribute to achieve a good performance and, empirically, it is based on interventions that prevent current achievement discrepancies and provide a basis for more effective socialization. Indeed, the question of the students learn from their failure as [12] explain. Indeed, the students are encouraged to “succeed” at first time and, hence, it can avoid leaning from failure in practice. On the literature, [13] discuss that the student must promote his or her reflection on learning process based on the answer of the following questions: “What was the most challenging for you in the case study as an empirical analysis?”, “What was the key concept?”, “What would you like to know?” And to promote critical thinking: the professor must describe the connection between today’s lecture and your life outside the classroom and, also, describe how your personal bias might affect your interpretation of the material presented today.

To understand the knowledge dimension: factual, conceptual, procedural and meta-cognitive as well as the cognitive process: create, evaluate, analyse, apply, understand and remember, table 1 present Bloom’s Taxonomy promoted by [14, 15].

<table>
<thead>
<tr>
<th>Cognitive Process</th>
<th>Knowledge dimension</th>
<th>Factual</th>
<th>Conceptual</th>
<th>Procedural</th>
<th>Meta-Cognitive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Create</td>
<td>Combine</td>
<td>Plan</td>
<td>Compose</td>
<td>Actualize</td>
<td></td>
</tr>
<tr>
<td>Evaluate</td>
<td>Rank</td>
<td>Assess</td>
<td>Conclude</td>
<td>Action</td>
<td></td>
</tr>
<tr>
<td>Analyse</td>
<td>Order</td>
<td>Explain</td>
<td>Differentiate</td>
<td>Achieve</td>
<td></td>
</tr>
<tr>
<td>Apply</td>
<td>Classify</td>
<td>Experiment</td>
<td>Calculate</td>
<td>Construct</td>
<td></td>
</tr>
<tr>
<td>Understand</td>
<td>Summarise</td>
<td>Interpret</td>
<td>Predict</td>
<td>Execute</td>
<td></td>
</tr>
<tr>
<td>Remember</td>
<td>List</td>
<td>Describe</td>
<td>Tabulate</td>
<td>Appropriate Use</td>
<td></td>
</tr>
</tbody>
</table>

Thus, table 1 present new terms of the Bloom’s Taxonomy defined as: conducting a case study reading a book of accounting standards and listening a lecture are instructional activities develop by
the student and observing field of work and interact with the student on the classes are means by which objectives are achieved. Also, other definitions of the cognitive process are:

- **Create** is putting these instructional activities together to form a coherent or functional course; reorganizing these instructional activities into pattern or structure through generating, planning, or producing data to improve the knowledge.
- **Evaluate** is making judgments based on criteria and standards thought checking and critiquing.
- **Analyze** is breaking material into constituent parts, determining how the parts relate to one another and overall structure or purpose through differentiation, organizing and attributing,
- **Apply** is carrying out or using a procedure through executing or implementing.
- **Understand** is constructing meaning from oral, written and graphic documents or reports through interpreting, exemplifying, classifying, summarizing, inferring, comparing, and explaining the information produce by the firm.
- **Remember** is retrieving, recognizing, and recalling relevant knowledge from long-term memory showing this process through the place of work.

2 METHODOLOGY

The methodology of paper as an adaptation of the proposal of modelling epistemological reconciliation is centered on the process of the professor for teaching students to learn from their failure made by the professional orders or sciences. Indeed, the professor and the student have their prior experience and prior knowledge, which built their epistemic beliefs of knowledge and competences to work on competitive labour markets. As [16] detail that multiple measures of learning success between student satisfaction [17], grade point or average classification [18], course requirements by professional orders [19], conceptual understanding of accounting and finance standards and laws [20], ability to argue in general meetings and to reason at annual reports [21].

![Modelling the Failure Strategy of Teaching and Learning](image)

**Fig 1. Modelling the Failure Strategy of Teaching and Learning.**

The successful reconciliation of the failure strategy of teaching and learning ends on the process that the professor and the student start from the learning activities promoted by the student cognitive dissonance between theory and practice that demands dynamics at the level of the awareness, motivation, strategies and adaptation to reduce the vulnerability of knowledge over the time. The
collaborative model between the professor and the student is activated by the process that influence the individual responsibility for achieve the goal to approve the course. The main problem is identifying what is unable to reconciled between the professor and the student. As [22] suggest "engagement is influenced by individual prior beliefs, goals, and expectations, which affect how learners approach and interact with learning activities".

3 RESULTS

Students of the Bachelor Degree of Accounting and Management of the Guarda Polytechnic Institute [6] need to obtain accounting data to develop work that are required in the assessment of various courses. This work is chosen by methodology of teaching and assessment in several courses like Auditing [23] and Financial Accounting [24], developing these works based on accountability, and individual documents, presented by firms at the end of the annual report. In figure 2 and 3 is presented the working paper of bank reconciliation before and after, respectively.

Bank balance on 20th December 2017: € 314,33
In transit deposits: € 625,00
Pendent cheques:
  Ch n.8 83020 of 5th January 2012 (€ 62,50)
  Ch n.8 84109 of 2nd April 2017 (€ 89,00)
  Ch n.8 84273 of 8th November 2017 (€ 45,00)
  Ch n.8 84274 of 8th November 2017 (€ 75,00)
  (€ 276,60)*
Interest taxes debited by the bank on 30th November 2017 (€25,00)
Non-identified difference 45,50
Balance of Sociedade Collection, SA on 20th December 2017: € 692,83

* This value represents a wrong sum of the previous values (pendent cheques).

Fig 2. Working Paper of Bank Reconciliation before.

The accounting information system to support this research has been developed between the case studies of the Portuguese Stock Market [25]. So, despite, the Annual Reports and Accounts have been prepared in accordance with the normative previous, there is need to transpose the data for the current System Accounting Standards [3].

Bank balance on 31st December 2017: (€ 436,04)
In transit deposits: € 4461,66
Pendent cheques:
  Ch n.8 84273 of 8th November 2017 € 45,00
  Ch n.8 84281 of 27th December 2017 € 680,97
  Ch n.8 84290 of 27th December 2017 € 192,70
  Ch n.8 84291 of 27th December 2017 € 236,93
  Ch n.8 84297 of 27th December 2017 € 31,18
  Ch n.8 84298 of 27th December 2017 € 342,92
  Ch n.8 84307 of 27th December 2017 € 246,39
  Ch n.8 84311 of 27th December 2017 € 62,35
  Ch n.8 84313 of 27th December 2017 € 108,53
  Ch n.8 84315 of 31st December 2017 € 1870,49
  Ch n.8 84316 of 31st December 2017 € 431,69
  Ch n.8 84318 of 31st December 2017 € 291,89
  Ch n.8 84317 of 31st December 2017 € 593,67
  (€ 5196,62)
Non-identified difference 44,99
Balance of Sociedade Collection, SA on 20th December 2017: (€ 394,16)

Fig 3. Working Paper of Bank Reconciliation After.
Thus, the collection and processing of accounting documents; and analysis of results. One of the limitations of this research is as consequence of its real nature and to the fact that it is a secondary data based research and a largely conceptual one.

Directly referring to this case study is clear an error in the sum of the first working paper (20th December 2017), in the image below it’s clear that wrong sum.

![Fig 4. 1st Error of the Bank Reconciliation.](image)

Consequently, further research should be made because this is the first empirical test to try to show preliminary findings that will promote the need for more attention to expand the base of knowledge.

![Fig 5. 2nd Error of the Bank Reconciliation.](image)

Here is possible to identify difference between the value that effectively was taken from the bank account and (second extract) and the one registered in the accountancy (account 121).

![Fig 6. 3rd Error of the Bank Reconciliation.](image)

So, the OECD Learning Framework 2030 allows to justify the failure strategy of the learning process of the student due to following activities [5]:

1. Difference of the cheque n.º 842279,9 (value credited is higher)
2. Difference of the cheque n.º 842736,4 (value credited is lower)
3. Difference of the cheque n.º 843031,3 (value credited is lower)
4. Cheque book acquisition
5. Cheque debolution n.º 839545,8
6. Interest taxes (bank overdraft)
7. Salary payment obligations (tax)
• 1st activity: Create a case study, indeed the professor is empowered to use their professional knowledge, skills and expertise to deliver the curriculum effectively and develop the inter-related competencies needed to engage with the world.

• 2nd activity: Evaluate the case study with coherence because each question is sequenced on the logic of the auditing or financial accounting on which they draw, enabling progress from basic questions to more advanced concepts through stages and levels of knowledge.

• 3rd activity: Analyse the case study with rigour, because the topics challenge and enable deep thinking and reflection in order to reinforce the key concepts of auditing and accounting.

• 4th activity: Apply to the case study since the student gain flexibility of reality of the firm and the concept of "curriculum" is developed from "predetermined and static" to "adaptable and dynamic". Each case study reflects a specific accounting, finance and law requirement, as well as, individual learning need of the student to improve itself.

• 5th activity: Understand the case study that promote the transferability of knowledge of the student with higher priority given to skills, attitudes and values that can be learned in the accounting, finance and law context and transferred to others students.

• 6th activity: Remember the case study, because of the engagement of the professor, students and other relevant stakeholders (i.e. firms and accountants) that are involved early in the development of the curriculum of the course to ensure their ownership for implementation.

This explanation introduces to the active learning process and allow to make the learning process unforgettable to not make the same mistake again [26]. Also, [27] argues that practical strategies that can be used for almost any subject matters to promote active learning. Independent if the student will be salaried, self-employed or work on voluntary basis, their learning process associated with accounting, finance or law, will return to him due to the interaction of the firm experiences and it will be influenced by new structures and power relations of different firms. Furthermore, the power of this methodology will ensure that the teaching process will contribute to a more dynamic behaviour of the student, as well as, will improve her or him learning process. However, the decision-making framework will create more resilient and adaptive businesses and entities, as well as, diminishing anti-corruption behaviour.

4 CONCLUSIONS

In the failure strategy of teaching for the professor and the learning for the student, the literature in the areas of accounting, finance and law devoted their attention to the new organizational, legal and policy trends and issues of the disclosure information among the Portuguese Stock Market [25] made by firms where the student will work. So, the process is based on the execution of activities based on the reality of firms and face expectations of the student that could be change with the process of doing, as result of looking to reduce faults and errors, at the same time, it increases the curiosity to learn more. In this paper, the authors analyzed the learning process by doing at the same time they use the experimental teaching process.

The teaching process made by the professor demands commitments of the student on the empirical analysis that vary from strategies and activities of both of them [28]. At the same time, the new abilities that the professor requires from the student demands more risks to provide the correct answers. So, this paper allows that expectations of the student in each class increase, because he or she has to be concentrate in which the professor teaches in the conceptual field of accounting, finance and law, due to the constant change on markets and economic field. Other important aspect are obligations of the student to answer to the empirical analysis, in which beliefs are determined by the behaviors of the professor reproduce a more relevant learning process.

The learning process promoted by the student requires, also, commitment to the rules of each course of the Bachelor of Science on Accounting, Finance and Law, for example, on the Guarda Polytechnic Institute or other higher degree institution. The student must adopt an attitude to be creative and empower of culture to understand why he or she fails, to choose to do right and to deal with negative emotions of this process. The professor is a facilitator and an external part of this process, which help the student to face difficulties or when it is lost, but outside the case study and could not contribute to the solution. This process does not need to blame nobody, neither put student as victim of his or her under knowledge. Indeed, this demand to face patterns and lessons to learn about the reasons of critical thinking to debrief the reality.
This paper is the first that authors made to explain this experimental methodology that demands changes on the curriculum design of courses of the Bachelors of Science. The study of how the student fails demand more research to learn and to establish their implications on the narratives that will be made on the next research and we are in beginning of the research project [29].

ACKNOWLEDGEMENTS

The author wishes to thank Professor David Crowther, Jose Angel Perez Lopez, and two anonymous referees for their helpful comments on earlier versions of this paper. The first author belongs to the Centro de Investigação de Contabilidade e Fiscalidade-IPCA, CieSD – IPV, Unidade de Investigação para o Desenvolvimento do Interior do IPG. The second author belongs to the Centro de Investigação de Contabilidade e Fiscalidade-IPCA e and Mackpesquisa – UPM, Brazil.

REFERENCES


