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PROFESSIONAL AND BUREAUCRATIC ORGANIZATION
IN LARGE PUBLIC ACCOUNTING FIRMS

DISSERTATION
Presented in Partial Fulfillment of the Requirements for
the Degree Doctor of Philosophy in the Graduate
School of The Ohio State University

by

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* * * * *

The Ohio State University
1965

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PREFACE

Since public accounting is among the younger and less well-developed professions, some of its members may attempt to conceal a sense of inferiority by claiming professional eminence through intuitive, perhaps self-satisfying, viewpoints of the profession's developmental problems. The burning ambition to be and to remain a profession should not deter a scientific analysis; on the contrary, it should encourage such an analysis.

The conventional ways of accounting research have not sought to investigate and understand many facets of the CPA's behavior within his profession. A more elaborate and somewhat different viewpoint seems to be necessary if public accountants are to successfully supplement and enrich their present understanding of the profession. The danger in a rapidly expanding field is that the traditional methodology and problem definitions (while cherished and praised) may be inadequate. The academic novice who blindly follows these models courts the danger of irrelevant and dubious research. Accounting methodologists must guard against this condition by continually examining the horizons for new and perhaps better approaches. One such possibility is presented in this study.
This essay represents an attempt to analyze certain features of the profession of (certified) public accounting from a sociological perspective. This effort is built on the assumption that sociology is far from peripheral to the study and possible solution of many problems encountered by the public accountant. Using sociological (and social psychological) theory and methodology to study the profession of public accounting may seem unjustified to those who seek to define limited boundaries of accounting research. Validation of this new approach, while it cannot reasonably rest with this one project, may lead to a reinterpretation of accounting research. Hopefully, it will steer the researcher away from uninformed and amateurish statements about human behavior, whether the observation is made by or about the CPA.

In the eyes of some, viewing the profession as a behavioral scientist is to be cynical or nonsensical. During the initial stages of the study, this behavioral approach was greeted, on the one hand, by those who considered the focus trivial, or if the focus was admissible, the admonition was to "let sleeping dogs lie." On the other hand, there were those who felt that the profession would benefit from the analysis. Fortunately, there were more of the latter in the places that counted.
This study attempted to incorporate a theory and research design which is relatively new in accounting research. The overriding objective was to scientifically describe, to explain, and to avoid the humdrum; it should be clear that this study was not the low order, "nose counting" survey which is sometimes passed off as accounting research. While this approach is not likely to retail generalizations that exalt or undercut the profession without specific evidence, a work of caution is obligatory. The reader should approach what could be a rather impressive statistical statement with vigilance. The formal connections between constructs (i.e., theory) and the linkage of theory to data (i.e., operational specifications) are bounded by many limiting assumptions. Absolute confidence in the data is to burden the simple psychometric and statistical methods with exactness which they do not possess.

Inspiration and sustenance for this study were provided primarily by my committee, Professors Daniel Shonting (accounting), Clayton Grimstad (accounting), and J. Eugene Haas (sociology). The meaningful substantive discussions with Professor Ronald Corwin (sociology) and the incisive statistical analysis of Mr. Omar Goode (Research Associate, Commerce Data Center) were especially appreciated. To the other members of the department of
accounting who directly or indirectly stimulated and guided my interest, I owe my gratitude. Others who deserve a note of thanks are Professor Robert Bullock (sociology) for permission to use his job satisfaction scale and Jerry Nichols (Research Assistant, Commerce Data Center).

Support for this study came from the Lybrand Dissertation Fellowship. To the Lybrand estate and to the representative of Lybrand, Ross Bros. and Montgomery, Dr. Frank P. Smith, I express my sincere appreciation.

The most important single factor in determining the success of this study was the willing participation of four national public accounting firms and nearly 300 of their members. For obvious reasons, I cannot identify the firms that so graciously permitted access to their members for this study. I am deeply indebted, nonetheless, to them for their co-operation.

And, finally, I want to acknowledge a never-ending source of encouragement and help, my wife, Roselie.

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CHAPTER I

INTRODUCTION: PREVIEW OF THE STUDY

The growth of the public accounting profession has been at a time in history characterized by phenomenal changes in organizational structures. The work of the certified public accountant has been so inextricably tied to these organizational changes that his mode of professional association has been adapted to meet the new demands created by these changes. The basic need for professional audits by large and widely dispersed corporations has wrought the CPA's professional, yet bureaucratic, mode of organization, i.e., the national firm. Blending and maintaining these partially conflicting modes as "going concerns" is undoubtedly a testimonial to the professional CPA's ingenuity and perseverance.

1The concept of bureaucracy may be defined as the effort required to maintain an organization rather than the effort applied directly toward achieving the organization's goals. The term bureaucracy is used here in a scientific meaning and not in the vague, propagandistic epitaph characteristic of colloquial definitions. The popularized connotation of inefficiency is neither definitionally relevant nor correct.
Statement of the problem and objectives

The professional work of the CPA is often performed in large, complex, and highly organized accounting firms. Combined within these firms are both the professional and bureaucratic modes of organization. Public accounting firms appear to be unique in this achievement since no other currently known profession has been able to develop professionally through the widespread use of nationally organized offices.

Within the theoretical modes of professional and bureaucratic organization are common and mutually exclusive characteristics. The impact of these characteristics within the firm may confront the CPA with divergent occupational statuses. Empirical evidence (beyond the quotation of simple proverbs and law) on how the CPA understands his professional and bureaucratic statuses within a large firm setting is lacking. Even the theoretical analysis is scant in the accounting literature.

The primary objective of this study was to determine whether the normative foundations of bureaucratic and professional organization viewed through the concepts of self and role could help to explain the variability in occupational status orientations, job satisfaction, and job migration plans of CPAs in large public accounting firms.
In general, this study sought to identify and analyze a source of confusion and disagreement that seems to be built into the internal functioning of the large firm CPA's occupational statuses.

Statement of thesis

The central thesis of this study focuses on the current development of the public accounting profession through large, complex bureaucratic firms (or organizations) and the accompanying processes of conflict, deprivation, and transformation of the CPA's occupational status orientations. Job mobility and job satisfaction are partially determined by variation in occupational status orientations and by the way in which such orientations are organized, fulfilled, and modified by CPAs in the professionalized bureaucracies of the large public accounting firms.

Importance of research

The pervasive nature of the professional-bureaucratic occupational status adjustment process highlights a major problem of the modern certified public accountant. More knowledge about this process is not only desirable but necessary for both educators and practitioners as accounting matures into an established profession.
Accounting educators who are at least partially removed from the occupational scene need this type of theoretical and empirical analysis if they intend to reduce the discrepancy between classroom instruction and work experiences.

Practitioners who deal with the organizational process on a daily basis have not prepared, as yet, a comprehensive statement and analysis of their experiences. The level of job satisfaction and turnover of public accounting personnel may be an observable consequence of organizational processes which are not yet clearly stated or fully understood.

**Interpretation of the hypotheses**

Interpreting the content of the hypotheses should offer evidence on several fundamental professional issues. Some of the typical questions that should be partially answered are these:

1. Do bureaucratism and professionalism influence job satisfaction and/or job migration?
2. Do bureaucratism and professionalism actually conflict?
3. How do CPAs activating different positions (such as partners and juniors) differ in their ideals and perception of professional and bureaucratic modes of organization?
4. Do large public accounting firms tend to be "over-bureaucratized"?

5. What are the professional and bureaucratic organizational differences between large and medium sized local offices?

6. Does size of office affect the level of job satisfaction?

While this list is deliberately incomplete, the intent of the study should be clear.

Research design and procedures

The branch offices of four national public accounting firms were the focus of the study. The random sample (stratified by position) included six geographically dispersed branch offices from each participating firm (offices = 24), a total of 264 respondents, and a response rate of 80 per cent. The size of the offices ranged from 10 to over 360 professional staff with 80 per cent of the offices maintaining a professional staff of 40 or more.

The instruments were basically Likert-type. Internal consistency, reliability, and validation of constructed scales were evaluated by (1) an inter-item correlation coefficient of determination ($r_i^2$), (2) an inter-item correlation coefficient ($r_{xy}$), and (3) the "known-group" comparisons method respectively.

Here in a few strokes is a sketch of the study. The remaining chapters will provide the important details.
CHAPTER II

THE SOCIOLOGICAL PERSPECTIVE

The several social sciences, including accounting, are concerned with the study of human behavior from differing viewpoints and methodologies. While these sciences view the same external phenomena, the merging of these perspectives provides a relatively untapped source of knowledge. One such source which accountants and accounting researchers have not fully explored flows from the application of a sociological perspective to the developmental problems of the accounting profession.

Definition of sociology

Since it is unfair to assume that the accountant (practitioner or academician) has a comprehensive knowledge of sociology, its perspective can be brought into focus through the highly abstract, yet incisive, definition of sociology offered by Robert Bierstedt:

... sociology seeks general laws or principles about human interaction and association, about the nature, form content, and structure of human groups and societies, and not, as in the case of history,
complete and comprehensive descriptions of particular societies and particular events. While the definition is broad, the emphasis on interaction and groups points up the essence and the value of the sociological approach. If the accountant performs within his discipline by making certain assumptions, and if some of these assumptions are the issues of another discipline (e.g., human interaction and groups), then it is meaningful to examine these suppositions from the latter's viewpoint. This is precisely what is attempted in this study: a view of the profession of public accounting with the combined insight of the certified public accountant and the sociologist. These combined viewpoints promise an improved perspective of mutually interesting problems.

Any comprehensive summary of the sociological perspective would require more space than is available here.

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2 From a scientific standpoint judging technical competence is the only justifiable reason for defining a field of study. All studies of human behavior are vague in definition and practice, but no one really cares about this ambiguity if the point of view is strictly scientific. However, other pressures, such as maintaining vested interests and gaining public recognition are as influential (if not more so) in pressing for a definition of a discipline.
Fortunately, for the purposes of this study, the most essential concepts regarding this perspective can be summarized briefly.

**The interaction postulate**

In attempting to focus on behavior in organized groups, meaningful interaction becomes deeply embedded in the sociologist's conceptual schemes. Human behavior is not considered purely random; that is, there are meaningful regularities and discernible relationships in behavioral patterns. To an important degree, normative orientations manifest in the individual's (technically actors) belief system govern overt social interaction. Two important specifications for these orientations flow from the normative (i.e., *dejure*) concept of culture: shared values and norms. Shared values denote standards for judging and regulating the range of behavior, and they are an important

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While these formulations are variable, the following three relatively comparable approaches are of central importance to this inquiry: J. Eugene Haas, *Role Conceptions and Group Consensus* (Columbus: The Ohio State University, Bureau of Business Research, 1963); F. L. Bates, "Position, Role and Status: A Reformulation of Concepts," *Social Forces*, XXIV (1956), pp. 313-321; Neal Gross, W. S. Mason and A. McEachern, *Exploration in Role Analysis* (New York: John Wiley and Sons, 1958).
part of the social design governing the rules and procedures which guide and control behavior. These rules and procedures have become conventionally defined as norms.

Norms seem to be merged into patterns or roles. Haas has formulated the concept of roles as a set of related norms. In his words:

Norms vary in the consistency of their relationship to each other. Those associated with the same activity or related activities and specifying a pattern of conduct for two persons in a specified situation constitute a role. A role is here considered to be a set of standards and procedures which define the rights and obligations of persons in certain social situations, sanctioned by interacting members and authorized by the larger society or particular segments of it . . . .

A cluster of roles that is generally defined (by a culture or subculture) as related form a social position. In the case of public accounting, for example, the certified public accountant (CPA)-client role is accompanied by the expectation to perform in certain other role relationships, such as CPA-CPA and CPA-professor. A simplified graphing of the CPA position and role relationships illustrates this formulation (Figure 1). Since interaction is specified,

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Fig. 1.—A Simplified Role System

A role may be viewed as a part of each of two positions. If every role is, in fact, a part of another, then no one position has meaning apart from its related position.

Position, however, is a two-edged term. It can be focused on a social location in a particular group or formal organization (an office) or on social placement in the larger society (a status). Davis illustrates this point:

Occupation position, for instance, is often a status and office both, the first when viewed
from the standpoint of the general public, the second when viewed from the standpoint of the particular business or agency [i.e., a complex organization].

Through the functioning of a social system, values are consumated, roles are performed, and positions are activated. Even a casual description of the structure and functioning of such a system suggests important changes in these values, roles, and positions over time. Elaboration on the role concept provides a creditable method of visualizing this process and its effects. The specific formulation follows: A role conception is an actor's "understanding of the norms which are appropriate in the particular circumstances." How the positional incumbent carries out his role(s) is labeled his role performance. The expectations that a positional incumbent holds for himself and those that are held by others for him are assumed to influence both his and their behavior.

Many current behavioral researchers (e.g., Haas, Gross, Bates) suggest that complete consensus on role conceptions among actors is highly improbable. In their view the level of consensus on the behavior expected of a

---


7Haas, Role Conceptions, op. cit., p. 3.
positional incumbent is likely to vary because of differences in socialization, subcultures, geographic location, and other positions activated, to mention a few reasons. Consensus, a condition of agreement among actors specified in empirical terms, avoids the fallacy of invariant expectations for a position.

To sum up: "human behavior [role performance] is in part a function of the positions an individual occupies and the expectations [role conceptions] held for incumbents of these positions."^8

The self concept

The central idea of the role concept (in its general usage) has an inextricable connection with the symbolic interaction framework. This relationship revolves around a definition of the self:

The self is conceived basically as an integration of the expectations derived from norms of the social structure which serve as a frame of reference for expectations of the self as well as others.9

The focus of this study, however, is on one important segment of the total social structure: the occupation and

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^8 Gross, op. cit., p. 319.

^9 Haas, op. cit., p. 7.
its relationship to the conception of self. As Hughes states:

... A man's work is one of the more important parts of his social identity, of his self, indeed, of his fate in the one life he has to live, for there is something almost as irrevocable about choice of occupation as there is about choice of a mate.\(^{10}\)

Since work becomes an important reference in valuation by others and in self-evaluation, it is reasonable to postulate that the occupational structure shapes personality and personality changes. More specifically the CPA's work has an impact on the CPA's self, particularly, the portion of the self-concept related to his occupation, i.e., occupational self-conception. With this theoretical frame of reference it follows that academic and professional training and daily work group activities within the firm are related to the formation of and changes in self-conception.

**Formation of role conceptions**

How the CPA formulates and modifies the content of his role conceptions are of substantial importance to the self-conception since this involves an essential segment of the continuous process of self-placement in

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relation to others. Such a continuous process of classification "not only directs overt action, but arouses a set of expectations toward the object classified."\(^{11}\) Apparently, this self-placement process is not without its incompleteness and risk of error. The self-placement process and its indeterminacy seem to be a basic factor in human motivation. As a result, the process of validation (and the denial of the validation) of the self can and does lead to a reinterpretation of activity, self, and self-other placement.

Of particular interest to the self-conception are the role conflicts and dilemmas resulting from the emergence of large (i.e., bureaucratic) firms in a profession. In the case of the CPA, for example, the type of role conception (e.g., bureaucratic or professional) and the relative emphasis on each type do not appear to be undisputed or trivial. Herein lies the possibility of conflicting role conceptions since the two conceptions may require endorsement of contrasting expectations. The elaboration on this point appears in Chapters III and IV. Two of the many influences on role conception development and certainty are collegiate studies in accounting and experiences in professional work groups.

For the actor, role conceptions are not incidental or merely interesting ideas; on the contrary, they are an important blue-print for interaction. Because of their crucial nature, an actor seeks confirmation of his role conceptions from others through interaction, and to the extent that confirmation is present, interaction can be smooth, enjoyable, and without strain. To the extent confirmation is lacking, the actor experiences role deprivation.

Formulation of identity

Over time Haas\textsuperscript{12} suggests that an actor formulates an identity based on his performance in various positions—position related self-conceptions, e.g., father, professor, CPA. These self-conceptions (along with other non-positional self-conceptions, e.g., "I am intelligent") form the identity or self-image. The relative weight of each self-conception in the total self-image is problematic. In addition to the content of the self-image (or identity) there is an evaluation of the self-image. This evaluation, which may be labeled self-esteem, is based on how well the person performs his roles and on the merits of his non-role self-conceptions. In the instance of the occupational self-

\textsuperscript{12}Haas, op. cit.
conceptions. In the instance of the occupational self-conception, self-esteem is supplemented by the prestige of the occupation. If this formulation is correct, it is logical to infer that the self-image and particularly its emphasis on self-esteem have an impact on ends and means in social interaction, i.e., goals and ways of achieving them.

Disagreement on role specifications increases the possibility of ambiguous role and self-conceptions and arouses the attendant difficulties of placing the self and others. While the interactional performance probably is less efficient, these conditions also can be expected to produce low satisfaction with a job or even a vocational choice for the actor. Role deprivation operating as a denial of the self-conceptions produces similar results.

Foote summarizes the essence of this argument:

Establishment of one's identity to oneself is as important in interaction as to establish it for the other. One's own identity in a situation is not absolutely given but is more or less problematic. 13

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Transformation of conceptions

Davis's interpretation of position provides a foundation for viewing the career as a series of statuses

and offices. While a CPA, for example, may hold the office of "manager" in a firm, he has a professional or bureaucratic status which is recognized and institutionalized by society. Status, then, is not formally incorporated as a "position" in the firm's organizational structure, "but from the viewpoint of the society as a whole, they [statuses] are completely deliberate."\(^{14}\)

A new status generally involves new roles. The revision of concepts and reorganization of behavior are never really complete—they are continual processes. "Regularized status passage," as Strauss views it, is a "... series of related transformations,"\(^{15}\) that is, a series of changes in role conceptions. The future CPA and the practicing CPA moving through different stages of "knowledge" (i.e., formal education and work experience) highlight the process of conceptual changes and patterns of action (i.e., behavior). Many transformations of identity and outlook are planned or encouraged by institutional representatives (such as complex organizations), but it is probably not

\(^{14}\)Ronald G. Corwin, The Development of an Instrument For Examining Staff Conflicts in the Public Schools (Columbus: Department of Sociology and Anthropology, The Ohio State University, 1963), p. 92.

\(^{15}\)Strauss, op. cit., pp. 91, 100.
correct to assert that all of these changes are caused by this observable social structure. Stated in another way, not all status changes are in complex organizations, but membership in a complex organization certainly offers the possibility of some status change. To some degree these changes must be ordered and institutionalized, but if there is role confusion arising from conflicting rationales, the sequential progression is threatened. Staffing the positions (i.e., previously defined as "offices") of an organization is one of the practical manifestations of this process. Partners (especially those with administrative tasks) are likely to be acquainted with the important inter-relationships of specifications such as age, experience, conduct, performance, feelings of loyalty, etc., for both incoming and existing personnel.

One important juncture is passage from the university to a position in a specific firm (i.e., an office). The general and rhetorical persuasion which is indigenous to the university environment can be expected to mold certain inaccuracies in role conceptions. The influence of the professor's ideals and his partial removal from the occupational scene do not work to reduce the discrepancy between the classroom and work experiences. A corollary observation is the recognition that all possible role conceptions
cannot be assimilated at once; thus, the student leaves the university with a rather crude stereotype. The process of refinement of this stereotype within the specific position (i.e., office) activated becomes a rich source of change in original role conceptions and self-conceptions.

Several avenues are open to the actor who finds that his self-conceptions are not validated by experience. The self-conception may be abandoned and a new one formulated in the light of the existing situation—a form of disillusionment. Alternatively, the self-conception may be retained despite the lack of validation by experience—a form of self-deprivation. Another possibility is to seek a new situation in which the old self-conception can be retained. The last alternative—the most drastic—is a change in self-conception and situation as demonstrated by developing a new career.

**Summary**

The type of role conception, the organization of the types, the certainty of role conceptions, the deprivation of role conceptions, and the modification of role

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16 Any change from initial self-conceptions is considered disillusionment; the revision may be either upward or downward.
conceptions operating through the self-conception related to job satisfaction and migration plans. Dissatisfaction with and the desire to migrate from the job and vocation will be greatest when self-conceptions are not validated, either because they are ambiguous or internally conflicting.

Now, with an overview of the basic sociological concepts completed, the emphasis may be directed to a substantive analysis of professional and bureaucratic modes of organization.
Professional and bureaucratic modes of organization

An interpretive summary of the professional and bureaucratic modes of organization in the sociological literature reveals a curious historical product: while each type has been discussed and analyzed separately in different ways (broadly speaking, process versus structure) the notion of professionalism in an alliance with bureaucracy has not been stressed until recently. Probably, the most substantial reason for a joint consideration of these modes is the recent mushrooming development of bureaucracies in the several professions.

Both ad hoc, observers and well-designed studies of the values and the division of labor in the work world of the professional suggest changes in this realm, particularly of the professional in the complex organization. The indespensible service provided for a society by the professional expert seems to be matched by his undeniable movement toward bureaucratic organization. The old maxim
"specialization plus size produces bureaucracy" seems appropriate. Assessing the substance of these organizational changes and estimating their impact are linked to the larger problem of defining and focusing on the phenomena. Even within sociology—the discipline that makes this topic one of its major concerns—the approach is not a settled issue; yet given these differences, sociology is still one of the most noteworthy sources of thoughtful analysis.

**Concept of bureaucracy**

Co-ordinating the large organization, whatever the purpose, toward a common end becomes a problem of enormous difficulty. Unitary action operating through chains of delegated authority and responsibility reflects organizational complexity which, at some point, emerges in a pattern identified as bureaucracy.

The concept of bureaucracy may be defined as the effort required to maintain an organization rather than the effort applied directly toward achieving the organization's goals.¹

¹This definition follows from a discussion of bureaucracy by Peter M. Blau and W. Richard Scott, *Formal Organizations, A Comparative Approach* (San Francisco: Chandler Publishing Company, 1962), p. 8. The term bureaucracy is used here in a scientific meaning not in the vague, propagandistic epitaph characteristic of colloquial definitions. The popularized connotation of inefficiency is neither definitionally relevant nor correct.
Organizations are not categorically bureaucratic or non-bureaucratic; there are differing types and degrees of bureaucracy. For example, if the definition (effort to maintain the organization per se) is used as an index of bureaucratization, wide variations are apparent in any empirical listing. Serving as a general explanation for this wide range of variation is the differential empirical emphasis on the characteristics usually found in the theoretical concepts of bureaucracy.

The conceptual formulations of bureaucracy, while suffering from a lack of consensus, generally include the following characteristics: ²

1. Hierarchy of authority for positions (specifically offices)
2. Positions possess limited authority which inheres in office rather than in person
3. Formal and impersonal contacts among and between personnel and clients

4. Formal system of rules and procedures governing positional incumbents' activities

5. Complex division of labor

6. Hiring and promotion based upon formally specified technical competence

To simplify the analysis, these above characteristics may be conveniently subsumed under three more inclusive characteristics: authority (items 1, 2, and 3); standardization (item 4); and specialization (items 5 and 6).

Weber (whose writings are the modern analytical touchstone of bureaucracy) includes the above characteristics plus others, such as separation of ownership from administration and extensive use of written communications. Weber was particularly impressed with the rational decision-making capability and the administrative efficiency of bureaucracy as Blau and Scott have noted:

Bureaucracy, according to him [Weber], is the most efficient form of administrative organization, because experts with much experience are best qualified to make technically correct decisions, and because disciplined performance governed by abstract rules and co-ordinated by the authority hierarchy fosters a rational and consistent pursuit of organizational objectives.3

Weber's idealized organization, while a clarification, served as a source of confusion because several

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3Blau and Scott, op. cit., p. 33.
hypotheses were confounded with the characteristics. For example, whether impersonality increases rationality or whether hierarchical authority and formal rules diminish problems of co-ordination are hypotheses which require an empirical referent rather than definitional fiat. This source of confusion has prompted Blau to comment:

Weber conceived of bureaucracy as the social mechanism that maximizes efficiency in administration and also as a form of social organization with specific characteristics. Both these criteria cannot be part of the definition, since the relationship between the attributes of a social institution and its consequences is a question for empirical verification and not a matter of definition.4

Udy5 concerned with the same problem has gathered evidence from cross-cultural files. He suggests that the concept of bureaucracy has been compounded with that of rationality. Bureaucracy embodies hierarchical authority structure, specialized administrative staff, and rewards differentiated according to office. Rationality, on the other hand, includes limited objectives, performance emphasis, segmental participation, and rewards as compensation for participation. This analysis suggests a possible


inverse relationship between rationality and bureaucracy, and therefore, a possible empirical inconsistency in complex organizations. In a similar vein, Hall discovered either a low positive or negative association (but non-significant at .05) of technical qualification (or competence) and other characteristics of bureaucracy, thus, suggesting an inverse relationship.

On this evidence, then, efficiency is a hypothesis about the superior operation of bureaucracy and not part of its definition. Thus, bureaucracy should be viewed as a form of social organization (with certain characteristics) designed to cope with administrative activities of organizations.

The common assumption that bureaucracy may be approached as an integrated whole is to dismiss an important possibility: an organization may be empirically high or low on each of several bureaucratic characteristics. When each characteristic is viewed as a continuum (or dimension) rather than simply being present or absent, the empirical configurations for organizations may be different. This

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possibility led Hall to test the following hypothesis:

... Bureaucratic characteristics ... are not highly intercorrelated; thus, organizations that are highly bureaucratized on any one dimension are not necessarily so on the others.7

By viewing essentially the same characteristics8 described earlier as dimensions (e.g., continua), Hall did not find the dimensions significantly different from each other, thus, upholding his hypothesis.9

To sum up: bureaucracy is a form of social organization designed to cope with administrative activities and it is based on characteristics which are most effectively viewed as quasi-independent and variable continua. Three summarizing continua—authority, standardization, and

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7Ibid., p. 34.

8What has been discussed as characteristics and continua could have been labeled as "principles." While the several authors who use this term apparently imply characteristics, continua, or some subdivision of them, the reason why "principle" is a preferred term is not suggested. Because the term "principle" has varied meanings and lacks a definitive meaning in essays on bureaucracy (and professionalism), the term has been avoided in this study.

9Specifically, Hall did not find the Spearman rank-order correlation coefficients between dimensions significant at the .05 level. The hierarchical dimension inter-correlated with rules (.594), procedures (.678), impersonality (.678); thus suggests the importance of the dimension in total bureaucratization, but the statement was shrouded, unfortunately, by non-significance (.05).
specialization and their interrelationships—account for a substantial portion of empirical configurations of bureaucracy.

Concept of profession

Rather than undertaking a review of what already has been done with the concept of profession, a compact summary has been borrowed from Bernard Barker:

Professional behavior may be defined in terms of four essential attributes: a high degree of generalized and systematic knowledge; primary orientation to the community interest rather than to individual self-interest; a high degree of self-control of behavior through codes of ethics internalized in the process of work socialization and through voluntary associations organized and operated by the work specialists themselves; and a system of rewards (monetary and honorary) that is primarily a set of symbols of work achievement and thus ends in themselves, not means to some end of self-interest . . . .

Viewing each attribute (or characteristic) as a continua (or dimension, as Hall has done with bureaucracy),

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1Bernard Barker, "Some Problems in the Sociology of the Professions," Daedalus (Journal of the American Academy of Arts and Sciences), XCII, No. 4 (Fall, 1963), p. 18.
Barker observes various alternative configurations\(^{11}\) for the several professions. If each mode of organization (professional versus bureaucratic) possesses various independent configurations, a joint examination will produce an even greater number of unique patterns.

**Similarities**

A joint consideration of the two modes, however, reveals some important overlaps. Blau and Scott present a condensation of these similarities:

Both require that decisions be governed by universalistic standards independent of any personal considerations in the particular cases handled. The orientations of both professionals and bureaucrats are expected to be impersonal and detached, a principle designed to facilitate rational judgement. Both bureaucracy and professionalism are marked by specialized competence based on technical training and limit the official's or professional's authority to a specialized area of jurisdiction. Both professionals and bureaucrats occupy an achieved rather than ascribed status, with the selection of personnel governed by such performance criteria as competence and training.\(^{12}\)

\(^{11}\)The emerging or marginal profession is middle-ranking on the dimensions of generalized knowledge and community orientation (or high on one and low on another). Barker considers accountancy as an emerging profession, but it is not clear if his reference is to public accounting alone or if public accounting is a part of some larger universe of accountants.

\(^{12}\)Blau and Scott, op. cit., p. 244.
These important uniformities, however, should not be allowed to overshadow equally important diversities.

**Differences**

Professional expertise and bureaucratic discipline may be posed as alternative methods of coping with uncertainty:

Discipline does so by reducing the scope of uncertainty; expertness, by providing the knowledge and social support that enable individuals to cope with uncertainty and thus to assume more responsibility.\(^\text{13}\)

This antithesis casts the predominant theme of each mode. The kinds of authority, specialization, and standardization for each mode draw their identity from the two basically different ways of handling the same problem.

**Authority and the client.** There is a likelihood that clients will meet the demands of the CPA if the client is to obtain a service, such as an unqualified opinion attesting to the fairness of financial operations. The

\[^{13}\text{Ibid.},\ p.\ 247.\]
authority for the CPA's demands rests largely on a belief by the client that the CPA has and will use a technical competence for his (the client's) benefit. Even though the CPA's position is institutionalized via training and conditioning by formal and inservice education, a license to practice, and other measures, he does not possess coercive power. The CPA still remains basically dependent on the client's voluntary consent to his authority.

A point sometimes overlooked is the direct service provided to the client by comparing the client's financial representations with the CPA's systematic and generalized knowledge which is based largely on the assumption of third party interest. As new functions are developed (apart from attestation) such as diagnostic and therapeutic functions based on new bodies of knowledge, perhaps this direct service will show up more clearly. This is not to deny the importance of the third party orientation. The third party, or more generally the community, is an important consideration in medicine and law, for example. The responsibility of the physician in treating gun shot wounds or of the lawyer acting as an officer of the court is heavily laden with community interest.

The client who is legally compelled to submit to the examination of a CPA may be suggested as an exception. The compulsion, however, is by some third party, say the S.E.C., not by the CPA. The CPA still seeks the client's voluntary compliance. Failure to comply may set off a series of events by the third party which may encourage the client's compliance, but the CPA's role remains unchanged. Note the comparability of the client-S.E.C. relationship with that of a matriculating freshman and the university requirement for a medical examination. The university enforces the requirement, not the medical doctor.
The client's submission to the authority of the CPA (because he acknowledges the CPA's technical knowledge to perform certain functions) may be contrasted with his submission to legal status. For example, the client is legally compelled to submit to the authority of the internal revenue agent, regardless of his evaluation of the agent. While both the CPA and the internal revenue agent must have some technical competence, the client acknowledges largely a technical expertise in one instance and largely a legal status in the other.

The professional practitioners seek more than a definition of the terms of their practice, that is, a license. Collectively the practitioners pursue a mandate which defines what the proper behavior of others (e.g., clients, third parties, government) should be toward their specialization. Certified public accountants presumably have such a mandate. For example, the criticism heaped on public accountants for a perceived ineffectual response to problems such as "cash earnings per share" and tax legislation establishing de facto accounting practices suggests the existence, implicitly perhaps, of a mandate. Other evidence is found in the reaction to the Securities and Exchange Commission's determination of generally accepted accounting principles. Such an intervention in the accounting
profession is considered disastrous because it has the effect of destroying the CPA's mandate.

The fully developed professional mandate pervades the law, the intellect, and the conscience of the surrounding community. The evidence cited here plus some of the efforts of others (e.g., American Institute of Certified Public Accountants) suggests that public accounting is attempting to disseminate knowledge of its professional mandate.

**Authority within the organization.** Etzioni\(^\text{16}\) suggests that the traditional "staff" and "line" concepts are reversed in the professional organization since the staff "experts" are carrying out the main goals of the organization while the "line" plays a service role. This means that the authority structure must be changed.

There seems to be a basic incompatibility between expert orientation and bureaucratic orientation. This is circumvented in private business and in some other organizations by giving the expert functional autonomy in a limited area while subordinating him in major goal activities and decisions. In professional organizations this solution would be dysfunctional to the organizational goals. Therefore, a different authority structure is constructed . . . . The limited lines of authority

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\(^{16}\text{Amitai Etzioni, "Authority Structure and Organizational Effectiveness," Administrative Science Quarterly, 4 (1959), pp. 43-67.}\)
which exist are mainly devoted to secondary activities involving service personnel and to service (non-professional) activities of the professional.17

Solomon's analysis, however, suggests that the way authority is legitimated in bureaucracies and professions is a fundamental distinction that cannot be easily by-passed, especially since hierarchic authority is foreign to a professional ideology.

While in the bureaucracy the superior has the "right to the last word" because he is the superior, in professional matters the last word goes to the one who has greater knowledge or experiences, more convincing logic or experiments, and the like.18

In brief, the authority of the bureaucrat inheres in his position (or office) and is backed by formal sanction, but the authority of the professional rests on his acknowledged technical expertise. From these alternatives stems the thorny issue of whether disciplined compliance stifles the use of professional judgment. The critical problem seems to be the intrusion of administrative (or organizational)

17Ibid., p. 62.

considerations which may conflict with purely professional ones.

Gouldner in a study of industrial bureaucracy suggests the relationship between authority and "rule of the expert" varies when professional characteristics are emphasized in a bureaucracy. According to him, there are at least two types implied by this relationship.

One of these may be termed the "representative" form of bureaucracy, based on rules established by agreement, rules which are technically justified and administered by specially qualified personnel, and to which consent is given voluntarily .... A second pattern which may be called the "punishment-centered" bureaucracy, is based on the imposition of rules, and on obedience for its own sake. 19

Marshall 20 believes that the shift of professionals to large organizations is not a source of conflict. The professional is being weaned from an individualistic ethic emphasizing independent thought and casual action (i.e., services donated at will) to a social ethic emphasizing a service to and full-time employment by the community. Within this process, the professional organization


was formed to stave off a perceived threat to individualism from crass commercialism and control by the state. He concludes that individualism is not basic to professionalism and that organizational changes are really only necessary developments for the weaning of ethics.

Corwin charges that Marshall overlooks the influence of autonomy in the sphere of professional authority and underplays the importance of the administrator's role. "Subordination to administrative policy in complex organizations can be as damaging to that autonomy as state control [or commercialism]."\(^{21}\)

The control over sanctions represents another difference. Sanctions are meted by the organizational hierarchy in a bureaucracy, while the professional reserves these matters for the profession itself. Resolution of disagreements over the correctness of a decision by one's own professional peer group rather than by the prerogative of an administrator illustrates the difference in approach. Since the public accounting firms, for example, consist mainly of professional personnel, one would expect more rather than less professional control.

\(^{21}\)Corwin, op. cit., p. 107.
Another facet of the authority issue stems from the salaried employee status of the professional—a status which, in part, shields him from the client and the profession itself. While the professional may be encouraged to become involved in and exposed to professional activities, the employer still remains a decisive authority...

... in appraising competence, and since he also controls the system of reward and punishments, he is in a much better position than the professional group to indicate what kinds of performance are preferred and which are undesirable.22

As the employer moves between the professional and the client (setting fees, salaries, working conditions, handling client complaints, etc.) the possibility of conflicts between professional service to the client and the demands of the organization are increased.

Parsons23 observes two additional complications: first, superior knowledge and ability are not necessarily logical or actual requirements for a positional incumbent in a bureaucracy, and second, the technical expertise of the professional concerned with his professional function

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22 Solomon, op. cit., p. 256.

is probably different from that of the professional who is primarily an administrator. Consider in the latter instance, for example, some of the differences inherent in a performance measurement system. Many administrators in delegating authority and responsibility focus primarily on the subordinate's accomplishments and contributions to organizational goals. The superior's pressure for results may ignore the subordinate's insistence on correct technical procedure, thus, activating a latent conflict stemming from different sources of authority.

Direction of loyalty is another one of the basic contrasts between the two modes. Foremost in the distinguishing characteristics of professional behavior is loyalty to the welfare and interest of the client and the community. The professional's institutionalized norm of service is contrasted with the bureaucrat's responsibility to bolster the interests of his organization. If most professional personnel invest their promotional opportunities (in the sense of a public accounting career with a large firm) in a single firm and if "success" is defined as climbing the steps of bureaucratic hierarchy, a pressure toward observing bureaucratic ("managerial") criteria as measures of success is a reasonable development. Such processes may well extend beyond the single organization to affect an entire profession.
Standardization. The professional's latitude in the use of his authority (based on generalized knowledge) is greater than that of the bureaucrat. The professional, armed with his systematic and generalized knowledge, emphasizes the uniqueness of a client's problems and the creative ways of approaching and solving them. The garage mechanic, the surgeon, and the CPA are all specialized, but the amount of problem solving initiative that each may be expected to use is different.

Greater standardization can be achieved if the focus is on the uniformity rather than on the uniqueness of the client's problems. Dispensability and exchangeability of personnel are increased when guides to action (rules) and qualifications are stated as specifics or categorizations. The large organizational administrators, then, are supposed to find the task of assessing competence, determining job assignments, and sometimes geographic location somewhat less difficult.

How standardization is empirically conceptualized by professionals and bureaucrats apparently is different. For example, McEwan24 in a study of physicians in a military

bureaucracy, noted incongruities and frictions stemming from attempts to mesh standardization and hierarchy (military rank) with professional expectations.

Standardization is not without some serious dysfunctions, especially for the professional organization:

The fundamental organizational problem is that standardization does not encourage creative and original thought which is so necessary if organizations are to adapt to a changing environment. While from the long-run perspective organizations must be adaptable as well as predictable, from the short-run perspective in which administrators and workers see their daily problems, predictability often appears to be more convenient, and therefore, preferable to change and the application of new ideas.25

In short, predictability (through standardization) can undermine the organization. To the professional who theoretically encourages change and improvement, this balance is indeed precarious.

Specialization. A professional's main responsibility is to serve the client and community through his area of competence [e.g., auditing financial statements (CPA), legal advice (lawyer)] while the bureaucrat is primarily responsible to the organization for task efficiency. The unique and indefinite situations handled by the professional demand a more generalized knowledge which permits

25Corwin, op. cit., p. 123.
him to perform a variety of activities for the client. On the other hand, the bureaucrat faced by specific tasks requires only a technical proficiency and a relatively narrow base of knowledge for a task efficiency orientation.

In some phases of public accounting, for example, the individual's work within the large organization is more difficult to evaluate than his efficiency. When efficiency is a time-based evaluation, the "good" practitioner becomes the one who can complete a task in a given amount of time. If the pressure for meeting the time budgets becomes too great, professional creativity is likely to be discouraged. A performance measurement system which is heavily dependent on efficiency measures (e.g., time) may stifle the professional and encourage the non-creative.

The professional's large-organization work environment affects his role in other ways. One longstanding feature of the (certified) public accounting profession has been the personal responsibility assumed by the certifying accountant for his special task. Coupled with the growth of complex organizations and the use of a team of experts to perform a task there has been a logical shifting of this responsibility from the individual to the organization. The AICPA still directs disciplinary action toward individuals for violating the Code of Ethics, although according
to Carey,²⁶ if specific individuals cannot be identified in a given violation, the senior or managing partner (i.e., the "firm") may be charged. "The Securities and Exchange Commission suspends or disbars firms, as well as individuals for violation of its rules."²⁷ Carey concludes, "the firm rather than the individual members, has come to regarded as the unit of accounting practice."²⁸ This change tends to encourage bureaucratic task orientation for the individuals since the "organization" assumes the concern for client and community welfare.

**Summary.** Because the professional in a bureaucracy is confronted by competing reference groups: the profession, the organization, and the client, the disposal of specialized professional tasks through bureaucratic channels results in a variety of organizational patterns and conflicts. Many of the dilemmas in public accounting between the professional and his client have been institutionalized through the Code of Ethics, but there are equally important conflicts which have not been treated so systematically.

The table on the following page attempts to highlight most of the ideas contained in the discussion of differences between the two modes of organization.

Size

A natural correlate of complexity in organization is size although size is not an unfettered, unitary variable. "Size is more like an index because of its relationship to a compliment of variables associated with the number of persons in an organization." While many variables related to size could be examined, three are of special interest in this study: (1) role conception, emphasis, and deprivation, (2) migration plans (turnover), and (3) job satisfaction (morale). As group members are added beyond the dyad (two people) roles are increased at a geometric rate. For example, two people mean one role whereas four people may mean at least six roles.

Roles. The justification for a comparison of the complexity of social relationships in larger and smaller

29 For this formulation helpful direction was provided by Professor Ronald G. Corwin.

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organizations lies in presumed differential role conceptions, role emphasis, and role deprivation. Thomas\textsuperscript{31} found, for example, a negative correlation between size and agreement among social workers on their role conceptions (including job definition and professional commitment to ideas and ethics) and work performance.

Gross\textsuperscript{32} in a study of school superintendents in Massachusetts also found role conceptions associated with the size of the school systems. The amount of responsibility the superintendent should assume for his subordinates varied directly with increments in the size of the school systems.

Roles are likely to be conditioned by the size of an organization. However, Hughes points out the additional problems of consensus:

\ldots it is not so much the numbers of people who intervene that seems to bother the professional most; it is rather the differing conceptions of what the work really is or should be, of what mandate has been given by the public, of what it is possible to accomplish and by what means; as well as of the particular part to be played by those in each position, their responsibilities and rewards.\textsuperscript{33}

\textsuperscript{31}Ibid., pp. 30-37.
\textsuperscript{32}Gross, op. cit., pp. 153-163.
\textsuperscript{33}Hughes, op. cit., p. 76.
In the case of a geographically dispersed organization (local offices in the instance of large public accounting firms) some bureaucratization of role conceptions of professional personnel at each office (and for the overall organization) becomes necessary for organizational survival. The extent and effect of this bureaucratization is problematic.

**Job satisfaction (morale) and turnover (migration).** The general theoretical framework which is proposed by various researchers studying size, morale, and behavior assumes that employee modes of interaction are affected by organizational size. This, in turn, affects the employee's attitudes and consequently his behavior such as absenteeism and turnover. Several empirical studies bear on this point.

Talacchi,\(^{34}\) in a study of over ninety industrial organizations, found increases in size were matched by increases in the division of labor and formal status differentiation and changes in the nature of the job and the nature of the interpersonal relations on the job, thus, leading to decrements in the level of satisfaction and consequently absenteeism and turnover. Specifically, the level of

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satisfaction was negatively associated with size, inversely associated with absenteeism, but not related to turnover rates.

Worthy, in a study of a single business firm, concluded that the morale of the firm was influenced by several factors such as size of organization, size of community, specialization of job and heterogeneity of personnel.

In a study of physiologists in research organizations, Meltzer and Salter concluded size and job satisfaction were curvilinear. The middle-sized companies were least satisfying while both large and small companies were most satisfying.

One generic limitation must be observed about the studies summarized: with the possible exception of Gross, none relate to organizations with nearly all the same basic type of professional personnel. Findings based on a universe of industrial or business workers, or multiple


professionals (e.g., doctors and nurses in a hospital) may not be characteristic of relatively homogenous professionals in large firms.

Professional and Bureaucratic Role Conflict in Complex Organizations

Prior formulations

A review of the sociological role conflict studies unmask three crucial facts: first, roles are incredibly complex and any attempt to extract them from their empirical setting is a task of great difficulty; second, the terms "conflict" and "role" have been used at various levels of abstraction ranging from two people (dyad) to a total society; third, most of the conflict models focus on a social position in its entirety or on particular roles which make up the position.

Corwin embellishes on the second point:

... The term role may refer to interaction between specific individuals (Mr. A and Mr. B), between the official positions in a specific group (nurses and doctors in hospital A), or between categories in the society (men and women).

Types of conflict presumably occur between (1) cultural values and institutional expectations, (2) role expectations and need dispositions of
To elaborate on the third point, many potential conflicts of a professional holding two positions have been precluded by a code of ethics (or interpretations of it). For example, CPA's are not permitted to activate the positions of auditor and stockholder of a client at the same time. Another more subtle two-position conflict stems from the practitioner serving on professional committees or boards; he activates a full-time and a part-time position. If a particular board decision will affect the firm-client relation (and possibly firm revenue) adversely, the practitioner's full-time position may overshadow his part-time position in the choice of role alternatives.

Another kind of conflict stems from inconsistent roles of a single position (or office). The partner, for example, is expected to maintain good relations with the clients (CPA-client role), and he is also expected to support his professional staff's judgment in the face of pressure from clients (CPA-CPA role).

Aside from the conflicts already discussed, there is still another which may arise when the norms of a

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37 Corwin, op. cit., pp. 84 and 93.
single role are internally inconsistent. The manager, for example, is expected to act toward other members of the firm, say the resident partner, both as a professional and as an employee (i.e., bureaucrat) at the same time. In this case, the partner is both a professional and the manager's "boss."

Intra-positional conflict model

An organization can be designed to embody several, possibly mutually exclusive, characteristics, and the organizational members may hold different conceptions about the legitimacy of these characteristics. The theory and findings, outlined in this study, point to the inconsistencies between the professional and bureaucratic normative foundations of these characteristics.

These professional and bureaucratic norms pervade nearly all of the roles of a professional's position in the large organization, thus, setting the stage for normative conflicts within the position (intra-positional conflict). Extracting and collating the norms of similar types (not necessarily of similar content) from positional roles results in what Davis (see Footnote 6 in Chapter II) defines as a status, that is, a placement in the general society. The configuration of professional norms forms a professional status; likewise, the bureaucratic norms form a bureaucratic
status (employee status). These statuses, while not formally recognized within the organization, are deliberate creations of a society.

Status orientation\textsuperscript{38} represents the actor's conception of the configuration of bureaucratic or professional norms. In this study, the CPA will have, therefore, a professional status orientation and a bureaucratic status orientation. Such orientations are concurrent with the role conceptions associated with the CPA's office (e.g., partner, manager) and are also subject to the same contrasting norms underlying professional and bureaucratic modes of organization. Within this conceptualization role certainty is equated with status certainty, role deprivation is the counter-part of status deprivation, relative role emphasis becomes status blend, and finally, role modification becomes status modification.

\textsuperscript{38}Corwin uses a similar conceptualization, op. cit., pp. 84-135.
CHAPTER IV

PROFESSIONAL AND BUREAUCRATIC ORGANIZATION
IN THE PUBLIC ACCOUNTING PROFESSION

The growth of the public accounting profession has been at a time in history characterized by phenomenal changes in organizational structures. The work of the certified public accountant has been so inextricably tied to these organizational changes that his own mode of professional association has been adapted to meet the new demands created by these changes. Primarily the demand for professional audits by large and widely dispersed corporations has wrought the CPA's professional, yet bureaucratic, mode of organization, i.e., the large, multi-office firm. Blending and maintaining these partially conflicting organizational modes as "going concerns" is undoubtedly a testimonial to the professional CPA's ingenuity and perseverance.

CPAs may be found in one man firms or in firms of several thousand. Copious documentation\(^1\) of this diversity

\(^1\)For example, see James Don Edwards, History of Public Accounting in the United States (East Lansing, Michigan: Bureau of Business and Economic Research, Michigan State University, 1960).
and the emergence of the larger CPA firm and its many branch offices exists in many sources and there is little need to retrace the historical aspect of this development here. The sociological import of the larger CPA firm and its many branch offices has been partially tapped by Carey:

... The existence of nationwide, and even worldwide practice units, welded together in partnerships, is a unique phenomenon among the professions.2

This unique condition underscores an observation only implicitly stated in the previous chapters: maintaining a large, multi-office professional firm is not the same task faced by the small, one-office firm because of the additional social organization required to maintain and perpetuate the firm per se. One illustration of this difference is the increased complexity of role systems. The example in Figure 2 focuses on a partner in the local office. Another example is the emphasis placed on the hierarchical role system in the large firm's branch office illustrated in Figure 3. Figure 3 points out both the primary and the (less-important) secondary hierarchical roles. Especially interesting are the constantly shifting lines of authority and responsibility (among professional personnel) created by the reassignment of personnel.

2Carey, op. cit., p. 425.
Fig. 2 Multiple Role Systems
Fig. 3 Primary and Secondary Roles
The more interesting question of how the content of these roles is conceived and how the roles are fulfilled quickly moves to the heart of the professional's existence. A review of the professional accounting literature on this question should precede the empirical evidence offered in Chapters VI and VII.

**Viewpoints in the accounting literature**

An interpretive summary of the accounting literature points (with little exception) to a distinct emphasis on the historical, especially the legal, development of the profession. However, there is evidence of an awakening interest in the sociological perspective assumed here.

For example, Biegler³ (a partner in a national firm) and Carey⁴ (of the AICPA) have done a service in calling attention to the relationship between professional and bureaucratic organizational characteristics, but both have unduly strained their analyses to resolve the problems of such an organizational union.


⁴Carey, op. cit., pp. 421-447.
Biegler, for example, suggests effective internal administration can attain certain broad goals as the following: 

1] the establishment of conditions of harmony, co-ordination, and order within the firm, 2] the creation of an internal atmosphere that permits professional men to exercise their professional abilities to the maximum degree. 5

Earlier in his article Biegler described the need for a special kind of organizational structure, but he did not emphasize the differing normative orientations and behavioral patterns underlying these partially conflicting goals. Further, he asserts that professional men "are more apt to be swayed by professional than organizational loyalties . . . ." 6 This is really a hypothesis which he offers as a conclusion. An empirical assessment will probably reveal that differing normative bases are not likely to be easily integrated.

Carey advances the following as his conclusions:

It must be concluded that neither the mere fact that firms have become dominant units of accounting practice nor the mere size of a firm, has any direct relationship to professional status. Rather, it is the attitude of the partners and the manner in which the practice is

5 Biegler, op. cit., p. 4.
6 Ibid., p. 3.
conducted which answers the question: business or profession?\textsuperscript{7} \textit{[emphasis mine]}

Theoretically, there is no apparent reason why any number of professionally qualified individuals cannot conduct a group practice without impairing the professional nature of their services.\textsuperscript{8} \textit{[emphasis mine]}

Once again the dilemma of differentiated normative bases was posed but summarily dismissed. In Carey's first quotation the denial of a relationship between size and professional status should not be viewed as a conclusion, but rather as a hypothesis deserving empirical examination. Attitudes are probably affected by size since this usually means some form of bureaucracy is involved. As to the second quotation, the theoretical differences of professional and bureaucratic organization have been described in Chapter III. Theoretically, the differences are sharp enough to assert his second conclusion is false. Whether the statement is true \textit{in fact} (as opposed to theoretically) must be determined empirically, and that, in part, is the task of this research.

In fairness to Carey one should note that his conclusions are not without cognizance of important

\textsuperscript{7}Carey, \textit{op. cit.}, p. 432.

\textsuperscript{8}\textit{Ibid.}, p. 430.
organizational problems. For example, the problems\(^9\) of work quality, diffusion of responsibility, "price competition" because of overhead, staff turnover, "profit orientations," and others reflect, in part, pragmatic manifestations of merging the alternative normative foundations of professional and bureaucratic organization. His comment on turnover is especially relevant:

> Generally little more than half of the students recruited each year for the staffs of larger firms are likely to remain after five years. The hidden cost of recruiting and training hundreds of individuals who leave the firm after a few years is heavy.\(^{10}\)

In a publication\(^{11}\) covering its first fifty years of operation, a large public accounting firm spelled out some of the steps it has taken to strengthen a "one-firm" concept. One section was devoted to a forthright statement of how this firm was attempting to extract and to incorporate certain features of bureaucracy within its own professional organization. The following quotation is from a section labeled "Strengthening the 'One-Firm' Concept":

> Some of the steps that have been taken to assure that we will continue to operate as a

\(^9\)Ibid., p. 430.

\(^{10}\)Ibid., p. 439.

\(^{11}\)The First Fifty Years 1913-1963 (Chicago: Arthur Andersen & Co., 1963), pp. 75-98.
firm, rather than as an amalgamation of individual practices, will be discussed under the headings Strong Centralized Management, Speaking with One Voice on Accounting Principles, Centralized Control of Recruiting, and Standardization of Personnel Policies.\textsuperscript{12}

Not all CPAs are sympathetic to the large national firm. As an example, R. F. Stonerock (President of the Florida Institute of Certified Public Accountants) recently urged Florida CPAs to petition to the Florida Legislature against a measure recognizing "out-of-state" (or national) firms in Florida. In his words:

\begin{quote}
This is an effort motivated by the "Big Business'' of the public accounting profession to take over the Florida CPA profession composed of long time resident Florida CPAs . . . .\textsuperscript{13}
\end{quote}

Apparently a portion of the debate is over a difference in the appropriate mode of organization for the professional CPA.

The foregoing selected viewpoints\textsuperscript{14} highlight an overlap of concern. Surely one of the safest

\textsuperscript{12}\textit{Ibid.}, p. 82.

\textsuperscript{13}R. F. Stonerock, Letter distributed to Florida CPAs by the Florida Institute of Certified Public Accountants, Gainesville, Florida, February 24, 1965.

\textsuperscript{14}Many sources could have been quoted. The reader should not assume that a quotation from a firm's publication meant it was (or was not) a participant in the study. The intent was to highlight the central tendency of several important strands of thought.
generalizations to be made by an observer of the public accounting profession is the persistence and urgency of organizational problems.

Statement of the problem and objectives

The professional work of the CPA is often performed in large, complex, and highly organized accounting firms. Combined within these firms are both the professional and bureaucratic forms of organization. Public accounting firms appear to be unique in this achievement since no other currently known profession has been able to develop professionally through widespread use of nationally organized offices.

Within the theoretical modes of professional and bureaucratic organization are both common and mutually exclusive characteristics. The impact of these modes on the occupational status within the firm may confront the CPA with divergent occupational statuses. Empirical evidence (beyond the quotation of law and simple proverbs) on how the CPA understands these professional and bureaucratic statuses within a large firm setting is lacking. Even theoretical analysis is scant in the accounting literature.

The primary objective of this study was to determine whether the normative foundations of bureaucratic and
professional organization viewed through the concepts of self and role could help to explain the variability in occupational status orientations, job satisfaction, and job migration plans of CPAs in large public accounting firms.

More specifically, the objectives of this study were (1) to identify the theoretical differences of professional and bureaucratic forms of organization, (2) to relate these differences to occupational status through the self-concept and role theory, (3) to empirically assess the (a) existence and (b) patterns of professional and bureaucratic status orientation and status enactment of CPAs in large firms, and (4) to explore the findings from number three above in relation to (a) job satisfaction and (b) job migration plans of these same CPAs.

In summary, the study sought to identify and analyze a source of confusion and disagreement that seems to be built into the internal functioning of the large firm CPAs' occupational statuses.

Importance of the research

The pervasive nature of the professional—bureaucratic occupational status adjustment process highlights a major problem of the modern certified public accountant. More knowledge about this organizational process is not only
desirable but necessary for both groups as accounting ma-
tures into an established profession.

Accounting educators who are at least partially
removed from the occupational scene need this type of theo-
retical and empirical analysis if they intend to reduce the
discrepancy between classroom instruction and work experi-
ences.

Practitioners who deal with the organizational
process on a daily basis have not prepared, as yet, a com-
prehensive statement and analysis of their experiences. The
level of job satisfaction and turnover of public accounting
personnel may be an observable consequence of organizational
processes which are not yet clearly stated or fully under-
stood.

Statement of thesis

The central thesis of this study focuses on the
current development of the public accounting profession
through large, complex bureaucratic firms (organizations)
and the accompanying process of conflict, deprivation, and
transformation of the CPAs' occupational status orienta-
tions. Job mobility and job satisfaction are partially de-
termined by variation in occupational status orientations
and by the way in which such orientations are organized,
fulfilled, and modified by CPAs in the professionalized bureaucracies of large public accounting firms.

**Hypotheses**

Before the thesis can be demonstrated, it must be broken down into manageable hypotheses which can be tested empirically. The relevant hypotheses have been grouped into six broad categories: (1) status orientations and their organization, (2) status deprivation, (3) status certainty, (4) job satisfaction, (5) job migration, and (6) size of office.

**Status orientations and their organization.** Education, like most institutions of a society, is designed to implement certain personality changes and most universities would not consider their mission complete if the students acquired only technical skills without a concurrent transformation in attitudes. In this sense, university accounting programs also seek to systematically mold the personalities of their students—albeit a highly amorphous and indeterminate task.

Nearly all CPAs who practice in large public accounting firms are college graduates. Variability in attitudes may be expected both in the men (and women) who find their way into public accounting and within and among the collegiate institutions where CPAs receive most of their
formal education. This variability and the limited exposure to the rhetorical persuasion of the classroom professor (who is likely to be partially removed from the occupational scene) do not jointly lend themselves to either uniform or realistic role conceptions, or more broadly speaking occupational status orientations. Although its effect may be difficult to assess, the college classroom probably has a marked influence on the formation of conceptions and orientations involving firm, client, and colleague relationships.

The self-conceptions and status orientations developed in the classroom (and elsewhere) are typically only approximations or "stereotypes" of the abstract roles and values which are essential to interaction. The academician's descriptive presentation of abstract roles (especially those where the academician and the practitioner are not likely to agree) can be expected to produce a more highly idealized professional status orientation. Also the university environment probably is not conducive to the emphasis on bureaucratic status actually found in public accounting practice, thus leaving the bureaucratic aspect of the status orientation less-well developed. Furthermore, educational programs can never totally prepare an individual for all possible role expectations—performances of a particular status or position. Activating a position or
status, then, becomes a dynamic process where ideals of an initial stereotype may be subjected to doubt or change if the ideal status conception is inconsistent with the actual status.

If the CPA becomes aware of a "misconception," he may be expected (1) to change his ideal to the observed situation (status modification) or (2) to persist with his original conception despite the gap between his ideal and perceived reality. These important transformations generally occur after the CPA shifts from his "student" status to the more narrowly defined bureaucratic office (e.g., junior) within the firm.

Such transformations have many causes. The nature of the accounting tasks at the lower levels of the firm does not require the emphasis on professional roles as envisioned by new personnel. When higher positions are activated, reference to professional roles becomes essential but in a more operational way. Two additional factors that may debase the lofty professional goals of the classroom include the firm's bureaucratic task orientation and a possible lack of effective opportunity for decision-making. Another incentive for change stems from pressure, whether real or imagined, for loyalty to the firm—a pressure which may run counter to certain professional expectations. In part,
this means that CPAs activating upper hierarchical positions will assign more emphasis to a bureaucratic orientation than will CPAs activating lower hierarchical positions. Finally, the novice may feel that his efforts are rather meager contributions to a total product over which he has little control. This is more likely to exist in the large organization where there is emphasis on efficient performance of specific tasks.

In summary, both status orientations and status blends are expected to be different by position and years of experience for CPAs in large firms.

**Hypothesis 1:** Bureaucratic status orientations vary directly with official position in the firm.

**Hypothesis 2:** Professional status orientations vary inversely with official position in the firm.

**Hypothesis 3:** Status orientations may or may not be modified throughout the careers of CPAs. Modifications, if any, will tend to be increases in bureaucratic status orientations and decreases in professional status orientations.

**Hypothesis 4:** CPAs activating upper hierarchical positions will choose status blends emphasizing a higher bureaucratic orientation more frequently than those activating lower positions; CPAs activating lower hierarchical positions will choose status blends emphasizing a higher professional orientation more frequently than those activating higher positions.

**Status Deprivation.** The CPA's status deprivation can be expected to vary depending on how he has blended his professional and bureaucratic status orientations. If
professional and bureaucratic norms tend to conflict (and therefore, so do status orientations), this means that they must have opposing behavioral prescriptions (or proscriptions) in several important ways. Strong concurrent support of both professional and bureaucratic statuses (High Professional—High Bureaucratic or HP—HB) should preclude complete fulfillment of either status, and therefore, implies a high status deprivation. The CPA's ideal is presumed to exceed his perceived reality for both his professional and bureaucratic status orientation. Operationally if the ideal exceeds the perceived reality, the status deprivation will be identified as "positive" deprivation ($I > R = +$); if the ideal is surpassed by perceived reality, the status deprivation will be identified as "negative" deprivation ($I < R = -$). Blending high professional and high bureaucratic status orientations should produce a high positive professional and a high positive bureaucratic status deprivation. High positive status deprivation for both status orientations means that the ideal exceeds the perceived reality, and suggests that the combined statuses are partially conflicting since apparently neither high status orientation can be completely fulfilled at the same time.

The logical opposite, a blend of low professional and low bureaucratic status orientations (LP—LB), should
reveal a much lower positive (or even possibly a negative) status deprivation for each status orientation.

With the polar types established, the remaining status blends can be inferred logically. A high professional—low bureaucratic status blend (HP—LB) should retain the positive professional status deprivation ($I > R = +$), but the low bureaucratic status orientation should produce a much lower positive (or even negative) bureaucratic deprivation since the CPA's bureaucratic reality probably exceeds his ideal ($I < R = -$) with greater frequency. The CPA with a low professional and high bureaucratic status blend (LP—HB) will perceive a lower professional status deprivation but a higher bureaucratic status deprivation.

In brief, both the direction and intensity of status deprivation are different among the various status blends. In general the higher status orientations mean higher positive status deprivation while lower status orientation means lower positive (or even negative) status deprivation. The matrix on the following page summarizes the patterns of status deprivation related to the four blends of status orientations.

Status deprivation can be reduced by modifying the status orientations or by migrating from the firm or profession. If the previous hypotheses about status
orientations, blends, and modification are upheld, status deprivation should be inverse to position and years of experience.

<table>
<thead>
<tr>
<th>Kind of status deprivation difference</th>
<th>Direction and intensity of net status deprivation by status blend:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Net professional deprivation</td>
<td>strong +</td>
</tr>
<tr>
<td>Net bureaucratic deprivation</td>
<td>strong + (or -)</td>
</tr>
</tbody>
</table>

<sup>a</sup>High professional—high bureaucratic  
<sup>b</sup>High professional—low bureaucratic  
<sup>c</sup>Low professional—high bureaucratic  
<sup>d</sup>Low professional—low bureaucratic

Whether or not a firm (mainly the local office) conforms to professional and bureaucratic expectations has an effect on how the CPA views his work experiences. The more the firm's practices conform to the CPA's professional and bureaucratic expectations, the more highly the CPA will evaluate the performance of his administrators. In brief, status deprivation varies with evaluation.
The hypotheses on status deprivation are summarized below:

**Hypothesis 5:** Status deprivation varies with status blends; higher status deprivations are accompanied by higher status orientations and lower status orientations are accompanied by lower (or even negative) deprivations.

**Hypothesis 6:** Status deprivation varies inversely with position.

**Hypothesis 7:** Status deprivation varies inversely with years of experience.

**Hypothesis 8:** Status deprivation varies inversely with evaluation of firm administrators.

**Status certainty.** The certainty (or confidence) a CPA has in his statuses can be expected to increase with experience in public accounting. This is a natural product of the "stereotype" refining process. Stated in another way, those activating upper hierarchical positions are probably more certain of their statuses than those activating lower positions.

**Hypothesis 9:** Status certainty varies directly with position.

**Job satisfaction.** If the prior theoretical formulations are sound, the level of job satisfaction among CPAs can be expected to vary in predictable ways. For example, the assumption that gratification from an occupational position is a function of the perceived opportunity for ideal status enactment suggests an inverse relationship
between status deprivation and job satisfaction. Similarly, if exposure to incompatible expectations (that is, status conflict) implies a failure to conform to both (or more) sets of expectations, then CPAs who perceive status conflict will experience a lower job satisfaction than CPAs who do not perceive status conflict.

CPAs who experience a greater ambiguity of status orientations (assumed to be basically a lack of self-assurance in role conceptions) are likely to exhibit a lower job satisfaction and vice versa.

How statuses are organized can be expected to affect job satisfaction also. From the viewpoint of the organization, it is usually logical and necessary to reward orientations (and behavior) favorable to the maintenance of the organization. If job satisfaction is, in part, a derivation of the organizational sanctioning system, a low bureaucratic orientation will be devalued, and therefore, dissatisfying. On the other hand, a high bureaucratic orientation, having a more positive valuation, should be more satisfying. The same logic applies to high and low professional orientations since the firm is presumably organized for professional objectives. In sum, a professional or bureaucratic status orientation should be satisfying so long as it is relatively high.
If the hypotheses concerning status modification\textsuperscript{15} are upheld, the changed self-conception of the CPA should become more satisfying. Job satisfaction should increase with promotions to higher positions since the promotion serves as a validation of the self-conception. Undoubtedly promotions reflect a pattern of selectivity favoring those with certain types of orientations and self-conceptions (e.g., highly bureaucratic).

The job satisfaction hypotheses are summarized below.

\textbf{Hypothesis 10:} Job satisfaction varies \textit{inversely} (negatively) with status deprivation.

\textbf{Hypothesis 11:} Job satisfaction varies \textit{directly} with certainty of status.

\textbf{Hypothesis 12:} High professional and high bureaucratic status orientations are \textit{more satisfying} than low professional and low bureaucratic status orientations.

\textbf{Hypothesis 13:} Job satisfaction varies \textit{directly} with official firm position.

\textbf{Job migration.} The CPA has been assumed to value his self-conception. If his self-conception is threatened or devalued, one alternative is to leave the disconcerting environment. Assuming that status orientations are important reflections of self-conceptions, some orientations are

\textsuperscript{15}Supra, p. 15.
more likely than others to be associated with migration plans. CPAs with high bureaucratic status orientations are not likely to migrate, particularly if expressions of loyalty are highly valued by the firm.\textsuperscript{16} A high professional status orientation, on the other hand, refers to a loyalty independent of any one firm, thus suggesting that migration may be more likely since the firm is not the most important reference.

Certain combinations of status orientations may precipitate migration. For instance, the status blend of high professional—low bureaucratic (HP—LB) should lead to greater migration since the high professional referent is outside the "firm" and the lower bureaucratic orientation is likely to be negatively valued by the loyal firm members. The combination of low professional—low bureaucratic (LP—LB) should be associated with job migration since both the professional and bureaucratic status orientations are likely to be devalued.

An ambiguously defined status orientation is not likely to nurture loyalty to the firm since the CPA has not been able to formulate a meaningful identity. An inverse relationship should exist between migration from the firm

\textsuperscript{16}Another important factor is ability. High loyalty is not likely to totally supercede incompetence.
and status certainty. The CPA who is not sure of his status will probably be dissatisfied and, if so, will plan to migrate from the firm (or the profession of public accounting). Following substantially the same kind of reasoning, the status deprivations of CPAs leaving the firm should be greater than those remaining with the firm. Finally, those who do plan migration are likely to be less-well satisfied with their jobs.

**Hypothesis 14:** Higher professional and lower bureaucratic status orientations tend to be associated with job migration plans.

**Hypothesis 15:** Status blends containing high professional and/or low bureaucratic status orientations tend to be associated with job migration plans.

**Hypothesis 16:** CPAs who plan to leave their present firms experience greater status deprivation than those who plan to remain with their present firms.

**Hypothesis 17:** CPAs who plan to leave their present firms are less certain of their status than those who plan to remain with their present firms.

**Hypothesis 18:** CPAs who plan to leave their present firms are less-well satisfied with their jobs than those who plan to remain with their present firms.

**Size of office.** Whether job satisfaction of professionals varies inversely with office size is a tantalizing query. Following the theoretical model cast in Chapter III on page 46, such a hypothesis is reasonable but difficult to test. The comparison of job satisfaction by size alone is likely to be confounded by many variables, some of
which have been at least pointed out, if not extricated, in the previous hypotheses.

CPAs in larger offices are expected to have higher bureaucratic orientations than CPAs in smaller offices because of a presumed differential need for bureaucratic norms. Occupants of positions in larger local offices will express greater emphasis on bureaucratic status expectations than will occupants of the same (or similar) positions in smaller offices. Heavy emphasis on bureaucratic status orientations may cause professional status orientations to be lower since both cannot be fulfilled at the same time if the orientations are partially conflicting. Also status blends emphasizing high bureaucratic (rather than low) are expected to be found more frequently in larger offices. If bureaucratic norms tend to conflict with professional norms, status deprivations should be greater in larger offices since there is a presumed emphasis on both professional and bureaucratic norms.

In general less status conflict should be expected in the smaller offices, thus, permitting a higher job satisfaction. Realistically, however, such a hypothesis is likely to be confounded by the office's type of clients, the kind and level of work diversity available, immediate availability of experienced advice, etc. For example, a
small office may only have a limited clientele base, thus, providing little professional diversity or experience, and therefore (although not necessarily), resulting in a dissatisfying professional status.

**Hypothesis 19:** Larger offices tend to be characterized by higher bureaucratic and lower professional orientations and vice versa for smaller offices.

**Hypothesis 20:** Status deprivation tends to be greater in larger as opposed to smaller offices.

**Hypothesis 21:** Status blends emphasizing higher bureaucratic status orientations are found with greater frequency in larger offices rather than in smaller offices.

**Hypothesis 22:** Job satisfaction tends to be higher in smaller as opposed to larger offices.

With the hypotheses spelled out, the emphasis now can be directed to an analysis of how the evidence was gathered from CPAs in large public accounting firms.
CHAPTER V

RESEARCH DESIGN

A study of the effects of differing normative bases in large public accounting firms requires a representative sample of CPAs in these large firms. The first section outlines the procedures and results of this sample selection.

The sample

Of those generally regarded as national public accounting firms, four volunteered participation, three declined,¹ and another was not contacted when the possibility of participation was not promising. The general format of the invitation to participate is presented in Appendix I.

¹There is probably a self-selection bias in the choice of participating firms. Some of those declining participation have organizational structures, which on an a priori basis, suggest greater bureaucratization. The omission of these firms probably biased this study's assessment of the bureaucratic influence in the profession. In short, the evidence presented here underestimates the normative influence of bureaucracy. No opinion is ventured on professional norms.
Local office and respondent selections were stratified. First, the sample included six local offices from each participating firm (offices: \( N=24 \)), each office being located in a population center in a different geographic region of the United States. With the exception of three offices in the sample (two from one firm and one from another), the local offices of each firm were all from the same cities. Even the exceptions were from nearby cities, thus not seriously disturbing the homogeneity of the original design. Second, the sample, concentrating largely on audit personnel, was stratified into four positions: (1) partner, (2) manager, (3) supervisor/senior, and (4) semi-senior/junior. Each position was assumed to represent a relatively distinct and differentiated combination of authority and responsibility within the local office. The total sample of 264 consisted of 37 partners, 48 managers, 95 supervisors/seniors, and 84 semi-seniors/juniors. Such a procedure obviously included some non-CPAs; more precisely 159 were CPAs, 40 had passed one or more parts of the uniform CPA examination but were not yet CPAs, and 65 were not CPAs nor had they passed any parts of the examination.

The size of the local offices ranged from about 10 to over 360. One office exceeded 360 and thirteen were over 90 but less than 200 (14 large), six were over 40 but less
than 60 (6 medium), and four were over 10 but less than 25 (4 small). Generalizations, then, should be limited to large firms.

After stratification by office and position the potential respondents were selected randomly from alphabetical lists at a relatively constant sampling percentage. In two cases detailed personnel lists were provided by the national office and the sample was selected randomly by the author. In the remaining two cases the sample was selected randomly by an official of the national office. In one case the questionnaires were forwarded by the national office and in the other case the questionnaires were sent by the author to the selected respondents. There was no evidence that the sample selection or that the forwarding of the questionnaires by two of the firms impaired the methodology, although that possibility exists.

Covering letters (or memos) provided by either the managing partners and/or personnel partners accompanied a letter of explanation (see Appendix II) and a stamped, addressed envelope. All questionnaires were returned directly to The Ohio State University.

All respondents were assured of a strict confidence in handling their responses. The respondents and participating firms were assured that no device was used to
determine which individuals responded. The only controls used were to determine firm, city and position (the last being self-reported). Approximately 80 per cent of the sample completed and returned the questionnaire. The response percentage included one follow-up effort.

Other relevant characteristics are summarized in Table 2. Unfortunately, there are practically no profile data for CPAs in the United States working in large firms to which the sample could be compared for its representativeness.

**Questionnaire design**

The questionnaire was designed to accomplish six objectives:

1. Measure the respondent's professional status orientation

2. Measure the respondent's bureaucratic status orientation

3. Measure the respondent's perceived lack of endorsement of his ideal professional and bureaucratic status orientation—status deprivation

4. Measure the respondent's current job satisfaction

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2 This measure includes both the respondent's ideal and the certainty with which he holds this ideal.

3 Ibid.
## TABLE 2

Average Characteristics of CPAs in the Sample

<table>
<thead>
<tr>
<th>Total Sample Number</th>
<th>Age (Median)</th>
<th>Years in Public Accounting (Mean)</th>
<th>Local offices Assigned (Mean)</th>
<th>Other Firms (Mean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>264</td>
<td>29</td>
<td>7.3</td>
<td>1.2</td>
<td>0.42</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of CPAs</th>
<th>Current Area of Emphasis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>159</td>
<td>105</td>
</tr>
</tbody>
</table>

Current Gross Salary by Categories

<table>
<thead>
<tr>
<th>Salary Category</th>
<th>Current Sample Size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10,000</td>
<td>135</td>
<td>83</td>
</tr>
<tr>
<td>$20,000</td>
<td>83</td>
<td>24</td>
</tr>
<tr>
<td>$40,000</td>
<td>18</td>
<td>4</td>
</tr>
<tr>
<td>No Data</td>
<td>4</td>
<td></td>
</tr>
</tbody>
</table>
### TABLE 2—Continued

<table>
<thead>
<tr>
<th>Highest Level of Education</th>
<th>Accounting Major</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>High School</td>
<td></td>
</tr>
<tr>
<td>College</td>
<td>262</td>
</tr>
<tr>
<td>(Mean)</td>
<td></td>
</tr>
<tr>
<td>Undergraduate College</td>
<td></td>
</tr>
<tr>
<td>Biz Ad</td>
<td>191</td>
</tr>
<tr>
<td>Lib Art</td>
<td></td>
</tr>
<tr>
<td>Engn</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
</tr>
<tr>
<td>Semester Hours</td>
<td>139</td>
</tr>
<tr>
<td>Not in Accounting</td>
<td></td>
</tr>
<tr>
<td>(Mean)</td>
<td>N=242</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Undergraduate Grade Averages</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>24</td>
</tr>
<tr>
<td>9%</td>
</tr>
</tbody>
</table>
### TABLE 2—Continued

#### Most Active Professional Memberships
(Maximum of 2)

<table>
<thead>
<tr>
<th>Dues Only</th>
<th>Some Meetings</th>
<th>Most Meetings</th>
<th>Active Committee</th>
<th>Programs</th>
<th>Held office:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Local National</td>
</tr>
<tr>
<td>86</td>
<td>84</td>
<td>24</td>
<td>29</td>
<td>27</td>
<td>33</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Subscriptions Prof Journals</th>
<th>Hours (Per month) Prof Reading (Mean)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>43</td>
<td>220</td>
</tr>
</tbody>
</table>

Conferences and Training Program (Mean)

4.27
5. Determine the respondent's intention to remain with or leave his present firm and/or the profession

6. Gather background information about the selected characteristics of the respondents, including behavioral indices and evaluation suitable for scale validation measures

**Scales.** The professional and bureaucratic status orientation scales were constructed on the assumption that each represented an independent normative base pervading positional roles. Items for each scale were drawn from the (1) accounting literature including the various journals and freely available publications of the large public accounting firms and (2) sociological (and related) literature including periodicals, studies, and reports. These items were read and criticized by two professors of accounting and one professor of sociology for relevance and clarity. Those items judged to have face validity were retained and typed on a 4" x 6" card. The cards contained the item and a response preference (a five response possibility ranging from "strongly agree" to "strongly disagree") indicating (a) the respondent's willingness to endorse the statement as an ideal and (b) the respondent's perception of the actual existence of the practice or belief within the firm, particularly in the local office.

A pre-test of three national firms with local offices in Ohio participating was conducted; all four
offices contacted provided respondents from each major position in the local office (N=20). Each pre-test respondent was interviewed privately. After a brief introduction and an assurance of the confidential nature of the interview, the respondent was presented with typed instructions explaining the instrument (Appendix III). He was asked to read and respond to each card presented (one-by-one) and then to judge its clarity and relevance. The respondent's comments and embellishments were recorded. Most respondents' time schedules precluded a review of all items, but in all cases at least one-half of both the professional and the bureaucratic items were included.

On the basis of pre-test interviewing an item was dropped if it met any one of the following tests:

1. Low variation between the responses to (a) ideal and (b) actual item elements

2. Low variation between the responses among positions on (a) ideal and (b) actual item elements

3. Recurrent requests by interviewee for clarification or interviewee rejection of item relevance

Using this procedure 50 items were selected for the bureaucratic scale and 51 items were selected for the professional scale (Appendix IV).
Job satisfaction was measured by the ten item Job Satisfaction Scale developed and validated by Bullock (Appendix IV). Permission to use this scale was granted by The Ohio State University Bureau of Business Research (Appendix V contains the letter of permission).

Reliability and internal consistency

Measures of reliability and internal consistency generally evaluate the nature of inter-relationships among the items of a scale. An inter-item reliability (correlation) coefficient of determination \( r^2 \) and inter-item correlation coefficient \( r \) are proposed as improved solutions to reliability and internal consistency scale requirements.

Reliability. The traditional split-half method represents only a single chance correlation of two sets of items in a scale. By contrast, reliability based on \( r^2 \) takes into account the correlation of each item with all

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4Robert P. Bullock, Social Factors Related to Job Satisfaction (Columbus, Ohio: The Ohio State University, Bureau of Business Research, 1952).

5For example, reliability has been measured by the "split-half" method and internal consistency by the "scale-value difference and critical ratio" method. For a detailed discussion of these methods see Allen Edwards, Statistical Methods for the Behavioral Sciences (New York: Holt, Rinehart and Winston, 1962), p. 175-178; Raymond F. Sletto, Construction of Personality Scale by the Criterion of Internal Consistency (Hanover, New Hampshire: The Sociological Press, 1937).
other items in a scale. This measure is a coefficient of determination and "is defined as the portion of the variance of the scale total that can be accounted for by inter-relationships among scale items." In short, the reliability of the scale is expressed by the degree of explained variance over the total variance, thus:

\[ r^2_T = \frac{\text{variance explained by internal relationship among the items}}{\text{total variance}} \]

The following table presents the \( r^2_T \) for each scale used in this study.

### TABLE 3

Inter-item Coefficients of Correlation (\( r_T \)) and Inter-item Coefficients of Determination of Scale Reliability (\( r^2_T \)) (N=264)

<table>
<thead>
<tr>
<th>Scale Designation</th>
<th>( r_T )</th>
<th>( r^2_T )</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bureaucratic Status Orientation</td>
<td>.89</td>
<td>.78</td>
</tr>
<tr>
<td>2. Professional Status Orientation</td>
<td>.75</td>
<td>.57</td>
</tr>
<tr>
<td>3. Job Satisfaction (Bullock)</td>
<td>.92</td>
<td>.85</td>
</tr>
</tbody>
</table>

Omar Goode, "Item Analysis Routine" (Columbus, Ohio: The Ohio State University, Commerce Data Center, 1963), p. 10. (Mimeographed.) This formula is an improved version of Kuder-Richardson formula number three. See
Internal consistency. While the critical ratio of scale value difference (CR:SVD) is not a direct coefficient of correlation between an item and scale, Webb has demonstrated CR:SVD represents a transformation of a bivariate coefficient of correlation ($r_b$). The coefficient of correlation ($r_{xy}$) relating a given item to the remaining items in a scale is not a fundamental departure from traditional methodology since the coefficient measures the degree of consistency of the item with the sum of the remaining scale items. Both CR:SVD and $r_{xy}$ will select roughly the same items. However, the $r_{xy}$ technique avoids the spurious effect of auto-correlation (an item correlating with itself in the total score) since each item ($X$) is correlated with the total less the contribution of the item ($Y=T-X$).


7 Thomas Webb, "Classification of Teachers by Bureaucratic and Professional Normative Orientations to Educational Issues" (unpublished Ph.D. dissertation, Dept. of Sociology and Anthropology, The Ohio State University).

8 The bivariate coefficient of correlation measures the relationship between a continuous variable and a "dichotomous" variable; it is an approximation of the product movement coefficient for two continuous variables.

9 Webb, op. cit., p. 65.
Scale items were ranked by \( r_{xy} \). Negative correlations were either dropped or reflected (i.e., weighting reversed) if face validity was not disturbed and if \( r_{xy} \) was increased positively. While all positive \( r_{xy} \) are includable items, only the higher \( r_{xy} \) were retained. Forty bureaucratic items and 42 professional items comprised the final scale. At the \( P < .05 \) level (\( N=264 \)), 93 per cent of the bureaucratic items and 71 per cent of the professional items were significantly different from zero. All ten items in the job satisfaction scale were significant at \( P < .0005 \). Tables containing detailed item analysis are in Appendix IV. Both the reliability and the internal consistency are considered acceptable.

The linear correlation between the scale totals, \( r = -.26 \), suggests a low negative relationship between the two scales. The assumption that the scales are relatively independent measures is supported.

Validity

Generally an attitude scale should be validated by more than face (or logical) validity. Supplementing logical validity (see item selection procedure and pre-

\[ r_{xy} = r_{xT} \left( \frac{\sum T - \sum X}{\sqrt{\sum T^2 + \sum X^2 - 2r_{xT} \sum x_T}} \right) \]
test on pages 85 and 86) was a "known groups" measure. The strength of this measure rests on an assumed co-variation of known behavior and attitudes. To assume a one-to-one relationship seems unreasonable, but to assume that "professional" behavior, for example, correlates highly with "professional" attitudes is not unreasonable. In light of such reasoning the following behavioral characteristics were used to validate the scales.

I. Bureaucratic Conduct
   A. Loyalty to administration
      1. Respondent's evaluation of his own loyalty as viewed by respondent's immediate superior
         a) High bureaucrat: superior rating
         b) Low bureaucrat: average or fair rating
      2. Respondent's evaluation of firm administrators
         a) High bureaucrat: superior rating
         b) Low bureaucrat: average or fair rating
   B. Loyalty to firm
      1. Number of days absent during past year (excluding conferences, training programs, conventions, paid vacation, days in hospital)
         a) High bureaucrat: 0 days missed
         b) Low bureaucrat: 5 or more days missed
      2. Willingness to leave firm for equivalent position at various annual salary increments (or decrements)
         a) High bureaucrat: unwilling to leave for an increment of $5,000
         b) Low bureaucrat: willing to leave for a lower salary, the same salary, or a $500 salary increase

II. Professional Conduct
   A. Professional skills
      1. Years of education
         a) Undergraduate degree or less
            1) High professional: 6 years or less since graduation
            2) Low professional: 7 years or more since graduation
b) Graduate degree
   1) High professional: 6 years or less since graduation
   2) Low professional: 7 years or more since graduation

2. Time devoted to reading
   a) High professional: 5 hours or more per month
   b) Low professional: 4 hours or less per month

B. Professional activities
1. Training programs and conferences in past 2 years
   a) High professional: 4 or more
   b) Low professional: none
2. Professional associations (excluding non-CPAs)
   a) High professional: regular attendance or more highly involved
   b) Low professional: dues paying only or occasionally attending meetings

Face or **logical validity**, coupled with Table 4, confirms that the constructed scales consistently distinguish between groups with known conduct. All behavioral comparisons, except one (training programs and conferences), predicted attitudes in the correct direction.

Education was compared on a recent-non-recent basis because of presumed changes in content and emphasis in accounting curricula. A direct comparison of respondents with and without graduate degrees is misleading since both groups are essentially equal in terms of professional education. An analysis of the sample revealed that most of the graduate degrees were additions to undergraduate degrees from other fields (e.g., liberal arts, finance) rather than extensions of undergraduate accounting programs. Thus, both
TABLE 4

Comparison of High and Low Bureaucratic and Professional Status Orientation Scale Validation Groups

<table>
<thead>
<tr>
<th>Scale and Measure</th>
<th>N</th>
<th>Criteriaa</th>
<th>Test</th>
<th>+ or -</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>High X</td>
<td>Low X</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Loyalty to administration</td>
<td>59/11</td>
<td>158</td>
<td>148</td>
<td>1.5e</td>
</tr>
<tr>
<td>2. Evaluation of administration</td>
<td>56/51</td>
<td>148</td>
<td>134</td>
<td>3.8b</td>
</tr>
<tr>
<td>3. Days absent</td>
<td>37/11</td>
<td>149</td>
<td>136</td>
<td>2.0d</td>
</tr>
<tr>
<td>4. Willingness to leave firm</td>
<td>9/62</td>
<td>148</td>
<td>131</td>
<td>3.4c</td>
</tr>
<tr>
<td>Professional:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Years of education by recency</td>
<td>121/72</td>
<td>152</td>
<td>147</td>
<td>2.1d</td>
</tr>
<tr>
<td>(H=0-6; L=7-40) of graduation;</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>bachelor or less</td>
<td>44/27</td>
<td>149</td>
<td>147</td>
<td>NSf</td>
</tr>
<tr>
<td>graduate degree</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(including L.L.B.)</td>
<td>88/131</td>
<td>151</td>
<td>150</td>
<td>NS</td>
</tr>
<tr>
<td>2. Reading time</td>
<td>54/65</td>
<td>148</td>
<td>149</td>
<td>NS</td>
</tr>
<tr>
<td>3. Training programs, conferences</td>
<td>91/21</td>
<td>150</td>
<td>149</td>
<td>NS</td>
</tr>
<tr>
<td>4. Professional associations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

aHigher mean score means higher orientations (rounded for presentation).

bSignificant at P < .001 (one tail test)
cSignificant at P < .01 (one tail test)
dSignificant at P < .05 (one tail test)
eSignificant at P < .10 (one tail test)
fNS—not significant at P < .20 (one tail test)

5Direction of actual difference:
+ = correctly predicted
- = incorrectly predicted
groups are not really different in the amount of their professional education. A comparison of content (indirectly reflected by recency of education) is probably a better reflection of professional education.

**Statistics used**

Still unresolved is the choice between parametric and non-parametric analyses of attitude data, especially if response data are treated as equal-interval, such as the Likert-type or summated-ratings scale. Rosen and Rosen¹¹ in a study of this issue concluded that attitude data, like the type presented here, can be treated, in general, by both parametric and non-parametric techniques with comparable results from using either analysis. The conclusion that either technique will produce similar results justifies the use of the following statistics.

**TABLE 5**

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Answers the Question:</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Critical Ratio</td>
<td>Is the difference between two means sufficient to assume the difference exists in the universe sampled?</td>
<td>Hagood and Price¹²</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Statistic</th>
<th>Answers the Question</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>2. F Ratio of variance</td>
<td>Is the difference between variance sufficient to assume the difference exists in the universe sampled?</td>
<td>Walker and Lev^b</td>
</tr>
<tr>
<td>3. F Ratio analysis of variance</td>
<td>Are the differences among several means sufficient to assume the difference exists in the universe sampled?</td>
<td>Hagood and Price^c</td>
</tr>
<tr>
<td>4. $x^2$ (chi square)</td>
<td>Do the joint frequencies of two criteria (dichotomous variables) occur more frequently than expected by chance?</td>
<td>Siegel^d</td>
</tr>
<tr>
<td>5. C (contingency coefficient)</td>
<td>What is the approximate relationship between criteria used in $x^2$?</td>
<td>Siegel^e</td>
</tr>
<tr>
<td>6. r (correlation coefficient)</td>
<td>What is the linear relationship between two variables?</td>
<td>Edwards^f</td>
</tr>
<tr>
<td>7. $r^2$ (determination coefficient)</td>
<td>How much variation of y is associated with variation of x?</td>
<td>Edwards^g</td>
</tr>
</tbody>
</table>

^c Hagood and Price, loc. cit.
^e Ibid.
^f Edwards, op. cit.
^g Ibid.
Operational specifications

The Likert-type instruments were composed of a nearly equal number of positive and negative items about public accounting which ask for opinions (or value judgments). Professional items, in general, pertained to the following subjects: client, "third party" statement user, CPA colleague, decision-making; bureaucratic items, in general, pertained to the following subjects: loyalty to administrators, loyalty to "firm," experience, standardization and exchangeability, and rules/procedures.

Respondents were asked to indicate the degree of their agreement with each item on a continuum consisting of "strongly agree," "agree," "undecided," "disagree," and "strongly disagree." The responses were weighted from five (5) to one (1) so that higher scores always represented the most favorable response to the status or satisfaction being measured. The theoretical range of scores for the scales were: professional (42 items) 42-210; bureaucratic (40 items) 40-200; job satisfaction (10 items) 10-50.

Status orientations (ideal) scores were derived from the arithmetic sum of the weighted responses for each scale. Status deprivation scores were derived from the differences between the weighted responses to "ideal" and "real" items respectively. Status certainty was inferred from the arithmetic sum of choices at the extremes of the
item response continuum; viz., the total of "strongly agree" and "strongly disagree." The inter-play of professional and bureaucratic statuses, or status blends, was determined in the following manner: (1) the professional and bureaucratic status orientation scores were divided into high and low categories at the mid-point of the total score distribution, and (2) each respondent was then classified into one of four types:

a. high professional—high bureaucratic
b. high professional—low bureaucratic
c. low professional—high bureaucratic
d. low professional—low bureaucratic

Status modification is derived by comparing the scores of CPAs by years of experience in public accounting.

Migration plans were assessed by the respondent's reply to the question "What do you actually anticipate that you will be doing two (2) and five (5) years from now?"
The respondent was given the following response choices for each period of time:

a. Working in the same firm, same position
b. Working in the same firm, better position
c. Working in another firm (includes self-employed)
d. Working in business, government, or teaching (doing accounting-based work)
e. Working in another career (other than accounting)
f. Retired

Methodological limitations

The great variety of methodological problems encountered here were also found in other investigations;
unfortunately, there is still a sparsity of adequate solutions. Under the heading of instrument form, for example, are the relatively unstated effects of response sets, negative versus positive tone of statements, fatigue, forced response choices, deliberate falsification of responses, unfamiliar words, and others.

No substantive, empirically based, answer can be provided for all of these issues, but this study was not conducted without controls to minimize their possible adverse effects. For example, the professional and bureaucratic items were randomly scattered throughout the two nearly equal sections (A and B) of the second part of the questionnaire. Fifty per cent of the questionnaires were ordered section A—B and the other half ordered section B—A. Approximately the same relationship (50-50) was observed in the sendout of the questionnaires to each firm's offices.

Also, the positively or negatively worded items were relatively balanced, thus attempting to avoid a concentration on one end of the response continuum.

A special dilemma arises from the questionnaire presentation of the "ideal" and the "real" elements of status deprivation. When the respondent's choices are considered at the same time, a recorded difference probably is an actual difference in the respondent's feelings. This
may not be the case when the "ideal" and the "real" are considered in separate parts of the questionnaire since this separation may sever the respondent's frame of reference from one section to the other. On the other hand, considering the "ideal" and the "real" elements together facilitates falsification and response sets. Presently, a method has not been devised to solve all of these problems satisfactorily.

The constructed scales do not claim to cover every possible professional or bureaucratic norm of the CPA's status. In fact, those normative segments of role conceptions on which there was little or no disagreement were systematically excluded.

The scoring procedure represents arbitrarily assigned weights which probably do not reflect cardinal measurement, although it is assumed for data handling. The system, however, does differentiate ordinally; that is, one group has attitudes which are higher or lower than some other group. If the respondents are asked if they believe that all CPAs should be placed in jail, there is probably an important difference between the individual who strongly agrees and the one who merely agrees or disagrees. The distance between the categories cannot be specified, but a sensible rank order can.
At no point are distinctions such as "non-professional" implied or intended. Generalizations in this study are statements of relative differences among specially defined professional categories. Such differences should be interpreted as perceived differences since responses are from the actor's viewpoint. If self-conception affects behavior, the actor's viewpoint is an important kind of knowledge.

A score total should not be confused with unidimensional scale requirements since in this study the respondent places himself on several different dimensions at the same time (e.g., loyalty to firm, rules, decision-making).

Because the signs (+ -) were not ignored, the deprivation score actually consists of two types of discrepancy. In the one case the respondent states that his perceived reality does not exceed his ideal, i.e., ideal > real. In the other case, the perceived reality exceeds the respondent's ideal. Reversals such as the second type may occur infrequently, but such an assumption deserves to be demonstrated empirically. Their possible sociological meaning and their impact on predictive powers of an instrument should be isolated for further study. Differences between what should be and what is (regardless of direction) may or may not be equally distressing, but in a global sense both are relevant.
CHAPTER VI

THE FINDINGS

The central thesis of this study asserted a functional relationship between status orientations and job migration and job satisfaction. The evidence offered in this chapter reveals significant differences in status orientations, job migration plans and job satisfaction among CPAs in large public accounting firms. The basic task now is to examine in detail the relationships hypothesized in Chapter IV.

Status orientations

**Hypothesis 1:** Bureaucratic status orientations vary directly with official firm position.

**Hypothesis 2:** Professional status orientations vary inversely with official firm position.

Both hypotheses were upheld by the data in Table 6. Apparently the normative foundations of professional and bureaucratic organization were viewed differently by the occupants of various firm positions. The differences in professional status orientations between adjacent positions were not as clearly marked as those between non-adjacent positions (Table 7). The only non-significant difference
TABLE 6

Professional and Bureaucratic Status Orientations by Position

<table>
<thead>
<tr>
<th>Position</th>
<th>Status Orientation (X)(^a)</th>
<th>(r^2_T)</th>
<th>Bureaucratic</th>
<th>(r^2_T)</th>
<th>Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partners</td>
<td></td>
<td></td>
<td>151.3</td>
<td>.77</td>
<td>144.0</td>
</tr>
<tr>
<td>(N=37)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers</td>
<td></td>
<td></td>
<td>148.1</td>
<td>.68</td>
<td>148.0</td>
</tr>
<tr>
<td>(N=48)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Seniors</td>
<td></td>
<td></td>
<td>139.4</td>
<td>.75</td>
<td>150.5</td>
</tr>
<tr>
<td>(N=95)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Juniors</td>
<td></td>
<td></td>
<td>133.7</td>
<td>.70</td>
<td>152.6</td>
</tr>
<tr>
<td>(N=84)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F Ratio</td>
<td></td>
<td></td>
<td>24.3(^b)</td>
<td></td>
<td>6.7(^c)</td>
</tr>
<tr>
<td>d/f</td>
<td></td>
<td></td>
<td>3/263</td>
<td></td>
<td>3/263</td>
</tr>
</tbody>
</table>

\(^a\)Higher score means higher orientation.

\(^b\)\(F_{3,263} \leq .01\).

\(^c\)\(F_{3,263} \leq .01\).
between the bureaucratic statuses was the critical ratio be-
tween managers and partners (Table 8).

Hypothesis 3: Status orientations may or may not be
modified throughout the careers of CPAs. Modification, if any, will tend to be increases in bureau-
cratic status orientations and decreases in profes-
sional status orientations.

Viewing status orientations by years of experi-
ence in public accounting may be interpreted as a measure
of status modification. Ideally, each individual's status
orientation should have been traced longitudinally, but
such a procedure was not practical. Using years of ex-
perience as a guide to status change, the hypothesis was
upheld for both professional and bureaucratic status ori-
entations (Table 9).

A related pattern supporting the hypothesis was
the professional \( r^2 \) (explained variance) in Table 6. The
\( r^2 \) (indicating the internal consistency of a class of re-
spondents) decreases with increases in position until
partnership is achieved. This probably means that a re-
organization process (status modification) is at work
which causes the professional status orientation to emerge
as more consistent (higher \( r^2 \)) but less idealistic (lower
mean score).

Hypothesis 4: CPAs activating upper hierarchical
positions will choose status blends emphasizing a
higher bureaucratic orientation more frequently
than those activating lower positions; CPAs
### TABLE 7
Significance of Interpositional Professional Status Orientation Critical Ratios

<table>
<thead>
<tr>
<th>Position</th>
<th>Partners</th>
<th>Managers</th>
<th>Seniors</th>
<th>Juniors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners</td>
<td>.15</td>
<td>.025</td>
<td>.005</td>
<td></td>
</tr>
<tr>
<td>Managers</td>
<td></td>
<td>.15</td>
<td>.05</td>
<td></td>
</tr>
<tr>
<td>Seniors</td>
<td></td>
<td></td>
<td>.15</td>
<td></td>
</tr>
<tr>
<td>Juniors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^{a}\)One-tail test.

### TABLE 8
Significance of Interpositional Bureaucratic Status Orientation Critical Ratios

<table>
<thead>
<tr>
<th>Position</th>
<th>Partners</th>
<th>Managers</th>
<th>Seniors</th>
<th>Juniors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partners</td>
<td>.20</td>
<td>.005</td>
<td>.005</td>
<td></td>
</tr>
<tr>
<td>Managers</td>
<td></td>
<td>.005</td>
<td>.005</td>
<td></td>
</tr>
<tr>
<td>Seniors</td>
<td></td>
<td></td>
<td>.025</td>
<td></td>
</tr>
<tr>
<td>Juniors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\(^{a}\)One-tail test.
TABLE 9
Status Orientations By Years Of Experience in Public Accounting Firms

<table>
<thead>
<tr>
<th>Years of Experience</th>
<th>Status Orientations (X)(^a)</th>
<th>Bureaucratic</th>
<th>Professional</th>
</tr>
</thead>
<tbody>
<tr>
<td>One year or less (N=44)</td>
<td>134.0</td>
<td>153.6</td>
<td></td>
</tr>
<tr>
<td>2-3 years (N=65)</td>
<td>134.4</td>
<td>151.3</td>
<td></td>
</tr>
<tr>
<td>4-8 years (N=86)</td>
<td>142.5</td>
<td>150.0</td>
<td></td>
</tr>
<tr>
<td>9-15 years (N=29)</td>
<td>146.0</td>
<td>147.0</td>
<td></td>
</tr>
<tr>
<td>16 years or more (N=40)</td>
<td>151.6</td>
<td>144.8</td>
<td></td>
</tr>
</tbody>
</table>

F Ratio | 64.6\(^b\) | 55.9\(^c\)

\(d/f\) | 3/263 | 3/263

\(^a\) Higher score means higher orientation.

\(^b\) \(P \left[ F_{3,263} \right] < .01.\)

\(^c\) \(P \left[ F_{3,263} \right] < .01.\)
activating lower hierarchical positions will choose status blends emphasizing a higher professional orientation more frequently than those activating higher positions.

This hypothesis was supported by the data in Table 10. The status blends of juniors and seniors were characterized by a high professional status orientation for every six out of every ten respondents (60 per cent) while only one out of three (34 per cent) of all managers and partners were characterized by a high professional status orientation. The status blends of partners and managers were characterized by a high bureaucratic status orientation in every three out of four cases (76 per cent) while only one in three seniors and juniors (37 per cent) was typified by such an orientation. The relative characterization of low professional—high bureaucratic status blend which accounts for 60 per cent of all partners underscores the partners' organizational preoccupation. Only 20 per cent of all partners were characterized by status blends with low bureaucratic status orientations.

As a related point of interest Table 11 suggests that the status blends are not randomly distributed among the firms. Furthermore, the pattern of distribution while not extremely marked (C=.267) suggests overall organizational differences not specifically analyzed in this study.
TABLE 10

Frequency By Position of Professional and Bureaucratic Status Blends

<table>
<thead>
<tr>
<th>Position</th>
<th>Status Blends</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Partners</td>
<td>8</td>
</tr>
<tr>
<td>(N=37)</td>
<td></td>
</tr>
<tr>
<td>Managers</td>
<td>14</td>
</tr>
<tr>
<td>(N=48)</td>
<td></td>
</tr>
<tr>
<td>Seniors</td>
<td>19</td>
</tr>
<tr>
<td>(N=95)</td>
<td></td>
</tr>
<tr>
<td>Juniors</td>
<td>16</td>
</tr>
<tr>
<td>(N=84)</td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup>High professional—high bureaucratic.

<sup>b</sup>High professional—low bureaucratic.

<sup>c</sup>Low professional—high professional.

<sup>d</sup>Low professional—low professional.

\[ \chi^2 = 49.6, \text{ d.f.} = 9, P < .01. \]

\[ C = .395. \]

**Status deprivation**

**Hypothesis 5:** Status deprivation varies with status blends; higher status deprivations are accompanied by higher status orientations and lower status orientations are accompanied by lower (or even negative) deprivations.
TABLE 11
Frequency By Firm of Professional and Bureaucratic Status Blends (Percentaged)

<table>
<thead>
<tr>
<th>Firm</th>
<th>Status Blends (%)</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;</td>
<td>HP—LB&lt;sup&gt;b&lt;/sup&gt;</td>
<td>LP—HB&lt;sup&gt;c&lt;/sup&gt;</td>
<td>LP—LB&lt;sup&gt;d&lt;/sup&gt;</td>
</tr>
<tr>
<td>A</td>
<td>20%</td>
<td>36%</td>
<td>26%</td>
<td>18%</td>
</tr>
<tr>
<td>B</td>
<td>21%</td>
<td>30%</td>
<td>22%</td>
<td>27%</td>
</tr>
<tr>
<td>C</td>
<td>30%</td>
<td>15%</td>
<td>40%</td>
<td>15%</td>
</tr>
<tr>
<td>D</td>
<td>7%</td>
<td>32%</td>
<td>29%</td>
<td>32%</td>
</tr>
</tbody>
</table>

<sup>a</sup>High professional—high bureaucratic.
<sup>b</sup>High professional—low bureaucratic.
<sup>c</sup>Low professional—high bureaucratic.
<sup>d</sup>Low professional—low bureaucratic.

\[ x^2 = 20.2, \ d.f. = 9, \ P < .01. \]

\[ C = .267. \]

Both the direction and intensity of differences among status blends inherent in hypothesis 5 were supported by the data in Tables 12, 13, and 14. The matrix presented in Chapter IV is reproduced to facilitate the reader's analysis.
<table>
<thead>
<tr>
<th>Kind of status deprivation difference</th>
<th>Direction and intensity of net status deprivation by status blend</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;   HP—LB&lt;sup&gt;b&lt;/sup&gt;   LP—HB&lt;sup&gt;c&lt;/sup&gt;   LP—LB&lt;sup&gt;d&lt;/sup&gt;</td>
</tr>
<tr>
<td>Net professional deprivation</td>
<td>strong +            strong +            weak +            weak +</td>
</tr>
<tr>
<td></td>
<td>(or -)              (or -)              (or -)              (or -)</td>
</tr>
<tr>
<td>Net bureaucratic deprivation</td>
<td>strong +            weak +              strong +            weak +</td>
</tr>
<tr>
<td></td>
<td>(or -)              (or -)              (or -)              (or -)</td>
</tr>
</tbody>
</table>

<sup>a</sup>High professional—high bureaucratic.

<sup>b</sup>High professional—low bureaucratic.

<sup>c</sup>Low professional—high bureaucratic.

<sup>d</sup>Low professional—low bureaucratic.

The professional status deprivation of the HP—HB and HP—LB types was an empirically stronger positive deprivation than for the remaining types, LP—HB and LP—LB (Table 13). The variances were also significantly different from each other, thus suggesting the consistency between types is not similar.

Bureaucratic status deprivation was also correctly predicted in direction and degree. Apparently those holding HP—LB and LP—LB status blends feel that actual bureaucratic conditions, on balance, exceed their ideals. (This happens only when the real score exceeds the ideal score.)
TABLE 12

Professional and Bureaucratic Status Blends and Professional and Bureaucratic Status Deprivations\textsuperscript{a, b}

<table>
<thead>
<tr>
<th>Status Deprivation</th>
<th>Status Blends</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HP—HBC (\bar{x} \sigma)</td>
</tr>
<tr>
<td>Professional</td>
<td>11.4 8.1</td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>4.4 5.9</td>
</tr>
</tbody>
</table>

\textsuperscript{a}Score considered signs (\(\dagger\)).

\textsuperscript{b}See Table 13 and Table 14 for measures of significance.

\textsuperscript{c}High professional—high bureaucratic.

\textsuperscript{d}High professional—low bureaucratic.

\textsuperscript{e}Low professional—high bureaucratic.

\textsuperscript{f}Low professional—low bureaucratic.

The other types, HP—HB and LP—HB, expressed a desire (as predicted) for greater bureaucratization since their status deprivation was positive (i.e., Ideal > Real). The variances (Table 14) were not significantly different among the types (except at P < .10), thus suggesting each type had a fairly comparable consistency in its bureaucratic status deprivation.

**Hypothesis 6:** Status deprivation varies **inversely** with position.
TABLE 13

Significance of Professional Status Deprivation and Status Blends

<table>
<thead>
<tr>
<th>Status Blends</th>
<th>HP—HB&lt;sup&gt;a&lt;/sup&gt;</th>
<th>HP—LB&lt;sup&gt;b&lt;/sup&gt;</th>
<th>LP—HB&lt;sup&gt;c&lt;/sup&gt;</th>
<th>LP—LB&lt;sup&gt;d&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>CR(t)/F(var)</td>
<td>CR&lt;sup&gt;e&lt;/sup&gt;/ F&lt;sup&gt;f&lt;/sup&gt;</td>
<td>.025/.10</td>
<td>.005/.10</td>
<td>.025/.10</td>
</tr>
<tr>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.005/.10</td>
<td>.005/.02</td>
<td>.005/.02</td>
<td></td>
</tr>
<tr>
<td>HP—LB&lt;sup&gt;b&lt;/sup&gt;</td>
<td>.005/.02</td>
<td>.015/NS&lt;sup&gt;e&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LP—HB&lt;sup&gt;c&lt;/sup&gt;</td>
<td>.005/.02</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LP—LB&lt;sup&gt;d&lt;/sup&gt;</td>
<td>.015/NS&lt;sup&gt;e&lt;/sup&gt;</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup>High professional—high bureaucratic.
<sup>b</sup>High professional—low bureaucratic.
<sup>c</sup>Low professional—high bureaucratic.
<sup>d</sup>Low professional—low bureaucratic.
<sup>e</sup>One tail test.
<sup>f</sup>Two tail test.
<sup>g</sup>Not significant at P < .10.

Note: bracketed data not directly relevant to hypothesis.
### TABLE 14

**Significance of Bureaucratic Status Deprivation and Status Blends**

<table>
<thead>
<tr>
<th>Status Blends</th>
<th>Status Blends</th>
</tr>
</thead>
<tbody>
<tr>
<td>CR(t)/F(var)</td>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>CR&lt;sup&gt;e&lt;/sup&gt;/F&lt;sup&gt;f&lt;/sup&gt;</td>
</tr>
<tr>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;</td>
<td>.005/.10</td>
</tr>
<tr>
<td>HP—LB&lt;sup&gt;b&lt;/sup&gt;</td>
<td>[NS&lt;sup&gt;g&lt;/sup&gt;/NS&lt;sup&gt;g&lt;/sup&gt;]</td>
</tr>
<tr>
<td>LP—HB&lt;sup&gt;c&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>LP—LB&lt;sup&gt;d&lt;/sup&gt;</td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup>High professional—high bureaucratic.

<sup>b</sup>High professional—low bureaucratic.

<sup>c</sup>Low professional—high bureaucratic.

<sup>d</sup>Low professional—low bureaucratic.

<sup>e</sup>One tail test.

<sup>f</sup>Two tail test.

<sup>g</sup>Not significant at P < .10.

Note: bracketed data not directly relevant to hypothesis.
Hypothesis 7: Status deprivation varies inversely with years of experience.

Hypotheses 6 and 7 may be considered jointly since their general interpretation is similar.

Professional status deprivation by position (Table 15) seems to be markedly lower at higher positions than at lower positions. More specifically, the critical ratios between partners and managers (CR = .80) and seniors and juniors (CR = 0.0) were non-significant, but all other combinations were significant. Professional status deprivation by years of experience showed a slight non-significant increase (Table 13: CR of A/B = .51) and then a consistent, downward trend as predicted.

The findings in both Tables 15 and 17 are also related to status modification. One explanation for decrements in professional status deprivation is modification of original status orientations—a downward revision of professional expectations. The first few years of public accounting experience, however, seem to be a partial exception to this conclusion. The first three (or four) years of experience were characterized by a fairly constant amount of professional status deprivation (CR of A/B, A/C, and B/C of Table 17 all non-significant). This same period of time was matched by a relatively high professional status orientation (Table 9). Apparently the respondents have not
<table>
<thead>
<tr>
<th>Position</th>
<th>Mean Score (X)</th>
<th>Standard Deviation</th>
<th>Critical Ratio (t)</th>
<th>F Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner (P) (N=37)</td>
<td>5.54</td>
<td>5.30</td>
<td>P/M: .80&lt;sup&gt;b&lt;/sup&gt;</td>
<td>1.86&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td>Manager (M) (N=48)</td>
<td>7.07</td>
<td>7.22</td>
<td>M/S: 2.18&lt;sup&gt;d&lt;/sup&gt;</td>
<td>2.18&lt;sup&gt;e&lt;/sup&gt;</td>
</tr>
<tr>
<td>Senior (S) (N=95)</td>
<td>12.74</td>
<td>10.66</td>
<td>S/J: 0.00&lt;sup&gt;b&lt;/sup&gt;</td>
<td>1.22&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Junior (J) (N=84)</td>
<td>12.78</td>
<td>9.63</td>
<td>J/P: 3.22&lt;sup&gt;f&lt;/sup&gt;</td>
<td>3.31&lt;sup&gt;e&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>a</sup>Score considered signs (±).

<sup>b</sup>Not significant at P < .10.

<sup>c</sup>P < .10 (two tail test).

<sup>d</sup>P < .025 (one tail test).

<sup>e</sup>P < .02 (two tail test).

<sup>f</sup>P < .005 (one tail test).
<table>
<thead>
<tr>
<th>Position</th>
<th>Mean Score ($)</th>
<th>Standard Deviation</th>
<th>Critical Ratio (t)</th>
<th>F Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner (P) (N=37)</td>
<td>+4.51</td>
<td>6.265</td>
<td>P/M: .61&lt;sup&gt;b&lt;/sup&gt;</td>
<td>1.01&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Manager (M) (N=48)</td>
<td>+5.69</td>
<td>6.225</td>
<td>M/S: 2.78&lt;sup&gt;g&lt;/sup&gt;</td>
<td>1.43&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Senior (S) (N=95)</td>
<td>+1.06</td>
<td>7.450</td>
<td>S/J: 2.27&lt;sup&gt;g&lt;/sup&gt;</td>
<td>1.05&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Junior (J) (N=84)</td>
<td>-2.58</td>
<td>7.645</td>
<td>J/P: 3.79&lt;sup&gt;g&lt;/sup&gt;</td>
<td>1.49&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>a</sup>Scores considered signs ($\pm$).

<sup>b</sup>Not significant at $P < .10$.

<sup>c</sup>$P < .10$ (two tail test).

<sup>d</sup>$P < .05$ (one tail test).

<sup>e</sup>$P < .025$ (one tail test).

<sup>f</sup>$P < .02$ (two tail test).
TABLE 17

Professional Status Deprivation\(^a\) By Years Of Experience in Public Accounting Firms

<table>
<thead>
<tr>
<th>Years of Experience</th>
<th>Mean Score ((\bar{X}))</th>
<th>Standard Deviation</th>
<th>Critical Ratio ((t))</th>
<th>(F) Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. One year or less (N=44)</td>
<td>12.10</td>
<td>9.99</td>
<td>A/B: .51(^b) A/C: .34(^b)</td>
<td>1.05(^b) 1.17(^b)</td>
</tr>
<tr>
<td>B. 2-3 years (N=65)</td>
<td>13.50</td>
<td>9.77</td>
<td>A/D: 1.70(^d) A/E: 2.62(^e)</td>
<td>1.68(^b) 4.59(^f)</td>
</tr>
<tr>
<td>C. 4-8 years (N=85)</td>
<td>11.19</td>
<td>10.58</td>
<td>B/C: 1.00(^b) B/D: 2.38(^e)</td>
<td>1.17(^b) 1.61(^b)</td>
</tr>
<tr>
<td>D. 9-15 years (N=30)</td>
<td>7.26</td>
<td>7.69</td>
<td>B/E: 3.71(^e) C/D: 1.55(^c)</td>
<td>4.39(^f) 1.89(^c)</td>
</tr>
<tr>
<td>E. 16 years or more (N=40)</td>
<td>6.25</td>
<td>4.63</td>
<td>C/E: 2.63(^e) D/E: .50(^b)</td>
<td>5.14(^e) 2.72(^e)</td>
</tr>
</tbody>
</table>

\(^a\)Score considered signs (\(\dagger\)).

\(^b\)Not significant at \(P < .10\).

\(^c\)\(P < .10\) (two tail test).

\(^d\)\(P < .05\) (one tail test).

\(^e\)\(P < .025\) (one tail test).

\(^f\)\(P < .02\) (two tail test).

\(^g\)\(P < .001\) (one tail test).
revised their orientations downwardly to any large extent, thus, perpetuating a relatively constant professional status deprivation.

The consistency with which the deprivation was held by positional incumbents appears variable between positions (significant F ratios of variance, Table 15). When viewing deprivation by years of experience, significant differences in consistency show up only with extreme differences in years of experience.

Bureaucratic status deprivation was negative (Real>Ideal) for juniors and positive (Ideal>Real) for all other positions; the deprivation increased with increases in hierarchic position. (A similar pattern was apparent in the analysis by years of experience.) The managers expressed slightly more bureaucratic status deprivation than did the partners but the critical ratio was non-significant (CR = .61). With the exception of the partner—manager critical ratio (.61), all others were significant (Table 16).

The incidence of significantly different variances between positions (and therefore, a presumed differential consistency in deprivation between the positions) was much lower for bureaucratic status deprivation (Table 16) than was the case for professional status deprivation (Table 15).
In general, then, lower (and less experienced) positional incumbents apparently feel there is **too much** bureaucracy while higher (and more experienced) positional incumbents feel there is **too little** bureaucracy.

Bureaucratic deprivation decreased with increases in hierarchic rank. For example, the juniors' deprivation was significantly different from all other positions (critical ratios J/P, S/P, M/J in Table 16). Promotion to senior, for example, would appear to be paralleled by an increment in bureaucratic status orientation (Table 6). Over time, in general, decreases in bureaucratic status deprivation (Table 18) are matched by increases in status orientations (Table 9), thus suggesting the nature of the deprivation (+ or -) is changed through status modification.

Although the evidence was not presented in table form, both professional and bureaucratic status deprivation decreased in an **absolute** amount [total deprivation ignoring signs (±)] as position was increased. Professional status deprivation was lower in absolute terms, but it was positive for all positions. While the absolute bureaucratic status deprivation was lower as position increased, its direction changed from negative to positive.

**Hypothesis 8:** Status deprivation varies **inversely** with evaluation of firm administrators.
TABLE 18
Bureaucratic Status Deprivationa By Years Of Experience in Public Accounting Firms

<table>
<thead>
<tr>
<th>Years of Experience</th>
<th>Mean Score (x)</th>
<th>Standard Deviation</th>
<th>Critical Ratio (t)</th>
<th>F Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. One year or less (N=44)</td>
<td>-1.93</td>
<td>8.56</td>
<td>A/B: 1.73d</td>
<td>1.85c</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A/C: 1.79d</td>
<td>1.08b</td>
</tr>
<tr>
<td>B. 2-3 years (N=65)</td>
<td>+1.66</td>
<td>6.29</td>
<td>A/D: 2.87c</td>
<td>2.24c</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>A/E: 3.17c</td>
<td>2.02c</td>
</tr>
<tr>
<td>C. 4-8 years (N=85)</td>
<td>+1.98</td>
<td>8.25</td>
<td>B/C: 0.19b</td>
<td>1.72c</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>B/D: 1.70d</td>
<td>1.21b</td>
</tr>
<tr>
<td>D. 9-15 years (N=30)</td>
<td>+4.77</td>
<td>5.71</td>
<td>B/E: 2.02f</td>
<td>1.09b</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>C/D: 1.45c</td>
<td>2.08c</td>
</tr>
<tr>
<td>E. 16 years or more (N=40)</td>
<td>+5.17</td>
<td>6.03</td>
<td>C/E: 1.73d</td>
<td>1.87c</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>D/E: 0.20b</td>
<td>1.11b</td>
</tr>
</tbody>
</table>

ascore considered signs (+).
bNot significant at P ≤ .10.
cP < .10 (two tail test).
dP < .05 (one tail test).
eP < .02 (two tail test).
fP < .025 (one tail test).
gP < .005 (one tail test).
# TABLE 19
Professional Status Deprivation\(^a\) and Expressed Evaluation of Firm Administrators

<table>
<thead>
<tr>
<th>Evaluation</th>
<th>Mean Difference ($\bar{x}$)</th>
<th>Standard Deviation</th>
<th>Critical Ratio ($t$)</th>
<th>Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>High (N=70)</td>
<td>7.04</td>
<td>7.90</td>
<td>H/M: 1.64(^d)</td>
<td>1.14(^b)</td>
</tr>
<tr>
<td>Moderate (M) (N=114)</td>
<td>9.89</td>
<td>8.43</td>
<td>M/L: 2.60(^e)</td>
<td>1.67(^c)</td>
</tr>
<tr>
<td>Low (N=79)</td>
<td>15.11</td>
<td>10.90</td>
<td>H/L: 3.76(^e)</td>
<td>1.90(^f)</td>
</tr>
</tbody>
</table>

\(^a\) Score considered signs (\(\dagger\)).

\(^b\) Not significant at $P < .10$.

\(^c\) $P < .10$ (two tail test).

\(^d\) $P < .05$ (one tail test).

\(^e\) $P < .025$ (one tail test).

\(^f\) $P < .02$ (two tail test).
### TABLE 20

Bureaucratic Status Deprivation\(^a\) and Expressed Evaluation of Firm Administrators

<table>
<thead>
<tr>
<th>Evaluation</th>
<th>Mean Difference (X)</th>
<th>Standard Deviation</th>
<th>Critical Ratio (t)</th>
<th>(F) Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>High (H) (N=70)</td>
<td>.87</td>
<td>6.99</td>
<td>H/M: .21(^b)</td>
<td>1.13(^b)</td>
</tr>
<tr>
<td>Moderate (M) (N=114)</td>
<td>1.19</td>
<td>7.42</td>
<td>M/L: .86(^b)</td>
<td>1.44(^c)</td>
</tr>
<tr>
<td>Low (L) (N=79)</td>
<td>2.65</td>
<td>8.91</td>
<td>H/L: 1.21(^b)</td>
<td>1.62(^c)</td>
</tr>
</tbody>
</table>

\(^a\)Score considered signs (†).

\(^b\)Not significant at \(P < .10\).

\(^c\)\(P < .10\) (two tail test).

Professional status deprivation was consistently and significantly inverse to evaluation of firm administrators (all significant critical ratios in Table 19). Contrary to expectation, there were no significant differences between the alternative levels of evaluation and bureaucratic status deprivation although the mean deprivation scores were consistently in the predicted direction (Table 20).
CPAs devaluing the firm administrators' performance probably feel that administrators are part of the pressure suppressing a more idealized professional status enactment. This does not mean administrators are, in fact, poor administrators. Because evaluation was not as strongly related to bureaucratic status deprivations, the administrator would appear to be more successful in his bureaucratic tasks. The more basic dilemma facing the administrator stems from the difficult task of merging two, partially conflicting, modes of organization.

**Status certainty**

Hypothesis 9: Status certainty varies directly with position.

Both professional and bureaucratic status certainty increased with position. All differences were significant (critical ratios, Table 21 and 22) except one (professional: partner/manager critical ratio = .69). All professional status certainty variances were significant (Table 21) while only one-third of the variances for bureaucratic status certainty were significant. The consistency of bureaucratic status certainty between positions seems more comparable than was professional status certainty for the same positions. Possibly it is easier to organize a bureaucratic status (i.e., being a good employee) in contrast to a professional status.
TABLE 21

Certainty of Professional Status Orientations By Position

<table>
<thead>
<tr>
<th>Position</th>
<th>Mean Score (X)</th>
<th>Standard Deviation</th>
<th>Critical Ratio (t)</th>
<th>F Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner (P) (N=37)</td>
<td>17.40</td>
<td>3.20</td>
<td>P/M: .69&lt;sup&gt;a&lt;/sup&gt;</td>
<td>1.45&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P/S: 2.15&lt;sup&gt;c&lt;/sup&gt;</td>
<td>1.09&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Manager (M) (N=48)</td>
<td>16.58</td>
<td>3.85</td>
<td>M/S: 1.17&lt;sup&gt;b&lt;/sup&gt;</td>
<td>1.33&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>M/J: 3.63&lt;sup&gt;b&lt;/sup&gt;</td>
<td>1.01&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Senior (S) (N=95)</td>
<td>15.53</td>
<td>3.34</td>
<td>S/J: 3.26&lt;sup&gt;d&lt;/sup&gt;</td>
<td>1.31&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Junior (J) (N=84)</td>
<td>13.05</td>
<td>3.83</td>
<td>J/P: 4.61&lt;sup&gt;d&lt;/sup&gt;</td>
<td>1.43&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>a</sup>Not significant at P < .10.
<sup>b</sup>P < .10 (one or two tail test).
<sup>c</sup>P < .025 (one tail test).
<sup>d</sup>P < .005 (one tail test).

Job satisfaction

Hypothesis 10: Job satisfaction varies inversely (negatively) with status deprivation.

Table 23 contains correlations (and levels of significance) for positive status deprivation (Ideal > Real) and negative status deprivation (Ideal < Real). Positive
## TABLE 22

Certainty of Bureaucratic Status Orientations By Positions

<table>
<thead>
<tr>
<th>Position</th>
<th>Mean Score (x)</th>
<th>Standard Deviation</th>
<th>Critical Ratio (t)</th>
<th>F Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner (P) (N=37)</td>
<td>15.51</td>
<td>2.40</td>
<td>P/M: 1.47&lt;sup&gt;c&lt;/sup&gt;</td>
<td>1.97&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P/S: 3.88&lt;sup&gt;e&lt;/sup&gt;</td>
<td>1.93&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td>Manager (M) (N=48)</td>
<td>14.21</td>
<td>3.37</td>
<td>M/S: 1.88&lt;sup&gt;d&lt;/sup&gt;</td>
<td>1.02&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>M/J: 3.46&lt;sup&gt;e&lt;/sup&gt;</td>
<td>1.24&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Senior (S) (N=95)</td>
<td>12.65</td>
<td>3.33</td>
<td>S/J: 1.64&lt;sup&gt;d&lt;/sup&gt;</td>
<td>1.22&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td>Junior (J) (N=84)</td>
<td>10.38</td>
<td>3.02</td>
<td>J/P: 5.70&lt;sup&gt;e&lt;/sup&gt;</td>
<td>1.58&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

<sup>a</sup>Not significant at P < .10.

<sup>b</sup>P < .10 (two tail test).

<sup>c</sup>P < .10 (one tail test).

<sup>d</sup>P < .05 (one tail test).

<sup>e</sup>P < .005 (one tail test).
### TABLE 23
Summary of Linear Correlations Between Status Deprivation and Expressed Job Satisfaction By Position

<table>
<thead>
<tr>
<th>Status Deprivation</th>
<th>Job Satisfaction and:</th>
<th>Positive Deprivation (Ideal &gt; Real)</th>
<th>Negative Deprivation (Ideal &lt; Real)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Partners, N=37)</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>r = -.62 (.01)&lt;sup&gt;a&lt;/sup&gt;</td>
<td>r = -.58 (.01)</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>r = -.68 (.01)</td>
<td>r = -.47 (.01)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Managers, N=48)</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>r = -.39 (.01)</td>
<td>r = +.02 (NS)&lt;sup&gt;b&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>r = -.22 (NS)</td>
<td>r = +.11 (NS)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Seniors, N=95)</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>r = -.38 (.01)</td>
<td>r = -.01 (NS)</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>r = -.20 (.05)</td>
<td>r = -.35 (.01)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Juniors, N=83)</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>r = -.43 (.01)</td>
<td>r = +.09 (NS)</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>r = -.23 (.05)</td>
<td>r = -.30 (.01)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Total Sample, N=263)</td>
<td></td>
</tr>
<tr>
<td>Professional</td>
<td>r = -.50 (.01)</td>
<td>r = -.09 (NS)</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>r = -.23 (.01)</td>
<td>r = -.41 (.01)</td>
<td></td>
</tr>
</tbody>
</table>

<sup>a</sup>Level of significance (.00).

<sup>b</sup>Not significant at $P < .10$. 
professional status deprivation was significantly and negatively related to job satisfaction \( (r = -0.50) \). With the exception of partners, negative professional deprivation was not related to job satisfaction for the total sample \( (r = -0.09) \).

Both positive \( (r = -0.23) \) and negative bureaucratic status deprivations \( (r = -0.41) \) were inversely related to job satisfaction. The negative deprivation, nearly twice that of the positive, suggests that when bureaucratic organization exceeds the ideal its impact on job satisfaction is greater than when bureaucracy is insufficient to meet the ideal. To the extent job satisfaction is affected by status deprivation, positive professional \((I > R)\) and negative bureaucratic \((I < R)\) status deprivations are the most influential.

In general, the danger of becoming "too bureaucratic" appears to be just as menacing as not achieving professional ideals.

**Hypothesis 11:** Job satisfaction varies directly with certainty of status.

For the total sample and for each position, the categories of high and low job satisfaction revealed significant differences in status certainty as predicted (Table 24 and 25). The general theoretical tenant that decreasing the uncertainty of one's position—related self-conception
### TABLE 24

Professional Status Certainty By High and Low Job Satisfaction

<table>
<thead>
<tr>
<th>Position</th>
<th>Low Job Satisfaction</th>
<th>High Job Satisfaction</th>
<th>G. R. (t)</th>
<th>F (var)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$\mu$</td>
<td>N</td>
<td>$\bar{x}$</td>
</tr>
<tr>
<td>Partners</td>
<td>$-^a$</td>
<td>$-^a$</td>
<td>3</td>
<td>17.7</td>
</tr>
<tr>
<td>Managers</td>
<td>13.4</td>
<td>3.2</td>
<td>17</td>
<td>17.5</td>
</tr>
<tr>
<td>Seniors</td>
<td>13.8</td>
<td>3.1</td>
<td>55</td>
<td>17.7</td>
</tr>
<tr>
<td>Juniors</td>
<td>12.3</td>
<td>3.7</td>
<td>57</td>
<td>14.7</td>
</tr>
<tr>
<td>Total</td>
<td>13.1</td>
<td>4.3</td>
<td>132</td>
<td>17.1</td>
</tr>
</tbody>
</table>

$^a$Not calculated since N is unusually small in low satisfaction category.

$^b_P < .05$ (one tail test).

$^c_P < .01$ (one tail test).

$^d_P < .005$ (one tail test).

$^e$Not significant at $P < .10$.

$^f_P < .10$ (two tail test).
TABLE 25

Bureaucratic Status Certainty By High and Low Job Satisfaction

<table>
<thead>
<tr>
<th>Position</th>
<th>Low Job Satisfaction</th>
<th>High Job Satisfaction</th>
<th>C. R. (t)</th>
<th>F (var)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$\bar{U}$</td>
<td>N</td>
<td>$\bar{x}$</td>
</tr>
<tr>
<td>Partners</td>
<td>$-a$</td>
<td>$-a$</td>
<td>3</td>
<td>15.6</td>
</tr>
<tr>
<td>Managers</td>
<td>11.3</td>
<td>3.2</td>
<td>17</td>
<td>15.8</td>
</tr>
<tr>
<td>Seniors</td>
<td>11.3</td>
<td>3.0</td>
<td>55</td>
<td>14.8</td>
</tr>
<tr>
<td>Juniors</td>
<td>9.7</td>
<td>2.9</td>
<td>57</td>
<td>11.9</td>
</tr>
<tr>
<td>Total</td>
<td>10.6</td>
<td>3.4</td>
<td>132</td>
<td>14.7</td>
</tr>
</tbody>
</table>

$^a$Not calculated since N is unusually small in low satisfaction category.

$^b$Not significant at $P < .10$.

$^cP < .05$ (one tail test).

$^dP < .02$ (two tail test).

$^eP < .005$ (one tail test).
increases satisfaction with an activity seems empirically supported.

**Hypothesis 12:** High professional and high bureaucratic status orientations are more satisfying than low professional and low bureaucratic status orientations.

The hypothesis was only partially upheld by the data in Table 26. In general, a higher bureaucratic status orientation was consistently more satisfying than a low bureaucratic status orientation, but job satisfaction and the level of professional status orientation were mixed. Apparently a high professional status orientation was satisfying only if it was accompanied by a high bureaucratic status orientation. A high professional and low bureaucratic combination of status orientations tended to be dissatisfying. Low bureaucratic status orientations were consistently less satisfying, but low professional status orientations were not dissatisfying if accompanied by a high bureaucratic status orientation. As expected, the low professional and low bureaucratic status blend tended to be dissatisfying.

The variability in job satisfaction could be explained by the sanctioning system of the CPA's immediate work environment. A firm member is more likely to be positively valued by firm administrators if he has a high bureaucratic status orientation. Positive valuation serves
TABLE 26

Professional and Bureaucratic Status Blends
By Level of Job Satisfaction (N=264)

<table>
<thead>
<tr>
<th>Job Satisfaction</th>
<th>Status Blends</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HP—HB\textsuperscript{a}</td>
<td>HP—LB\textsuperscript{b}</td>
<td>LP—HB\textsuperscript{c}</td>
<td>LP—LB\textsuperscript{d}</td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>25</td>
<td>13</td>
<td>38</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Moderate</td>
<td>17</td>
<td>25</td>
<td>24</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>15</td>
<td>37</td>
<td>13</td>
<td>23</td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{a}High professional—high bureaucratic.

\textsuperscript{b}High professional—low bureaucratic.

\textsuperscript{c}Low professional—high bureaucratic.

\textsuperscript{d}Low professional—low bureaucratic.

\(x^2 = 30.9, \text{ d.f.} = 9, P < .01.\)

\(C = .324.\)
as a validation of the status orientation, and therefore, the position—related self-conception. Since a high bureaucratic status orientation is more likely to be validated, job satisfaction tends to vary with a bureaucratic orientation. If the firm (or organization) is not highly valued, the CPA probably finds that a high professional orientation alone is not enough to provide high job satisfaction. Such a proposed explanation underscores the conflicting relationship between professional and bureaucratic modes of organization.

**Hypothesis 13:** Job satisfaction varies directly with official firm position.

Table 27 provides confirming evidence for the hypothesis. Both the mean score differences and variances between positions were significantly different (except for seniors/juniors). Job satisfaction and the consistency of the satisfaction were significantly different between positions. In short, the higher the position the higher and the more consistent was job satisfaction.

**Job migration**

**Hypothesis 14:** Higher professional and lower bureaucratic status orientations tend to be associated with job migration plans.

While the direction of the differences in Table 28 were found as predicted, only the bureaucratic differences
<table>
<thead>
<tr>
<th>Position</th>
<th>Mean Score ($\bar{x}$)</th>
<th>Standard Deviation</th>
<th>Critical Ratio (t)</th>
<th>F Ratio of Variances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner (P) (N=37)</td>
<td>47.46</td>
<td>2.95</td>
<td>P/M: 3.06$^e$</td>
<td>1.68$^b$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>P/S: 5.88$^e$</td>
<td>2.65$^d$</td>
</tr>
<tr>
<td>Manager (M) (N=48)</td>
<td>44.29</td>
<td>3.82</td>
<td>M/S: 2.46$^c$</td>
<td>1.58$^b$</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>M/J: 3.03$^e$</td>
<td>2.13$^d$</td>
</tr>
<tr>
<td>Senior (S) (N=95)</td>
<td>41.72</td>
<td>4.80</td>
<td>S/J: 0.86$^a$</td>
<td>1.35$^a$</td>
</tr>
<tr>
<td>Junior (J) (N=84)</td>
<td>40.77</td>
<td>5.57</td>
<td>J/P: 6.13$^e$</td>
<td>3.57$^d$</td>
</tr>
</tbody>
</table>

$^a$Not significant at $P < .10$.

$^b_P < .10$ (two tail test).

$^c_P < .025$ (one tail test).

$^d_P < .02$ (two tail test).

$^e_P < .005$ (one tail test).
TABLE 28

Professional and Bureaucratic Status Orientation Differences Between CPAs Who Plan to Remain With Their Current Firm and CPAs Who Plan to Leave Their Current Firm Within Five Years (Partners Not Included)

<table>
<thead>
<tr>
<th>Status Orientation</th>
<th>Migrate within Five years</th>
<th>Working in Same firm</th>
<th>C. R. (t)</th>
<th>F (var)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>x</td>
<td>U</td>
<td>N</td>
<td>x</td>
</tr>
<tr>
<td>Professional</td>
<td>151.9</td>
<td>10.9</td>
<td>68</td>
<td>150.4</td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>134.3</td>
<td>12.4</td>
<td>68</td>
<td>141.2</td>
</tr>
</tbody>
</table>

aNot significant at P < .10.
bP < .005 (one tail test).

were statistically significant. Apparently one basic difference between those remaining with the firm and those leaving is the level of their bureaucratic status orientations. Those leaving do not necessarily seek a less bureaucratic work environment since their bureaucratic status orientation for another position (for example, one in industry) is unknown. From the standpoint of self-conception, the migrating CPA may be seeking more manageable, less contradictory statuses. The singular emphasis on a bureaucratic status orientation in industry may be more appealing
and satisfying than the hybrid forced upon the public account. In sum, one point seems clear: differences over bureaucratic organization were related to job migration.

Hypothesis 15: Status blends containing high professional and/or low bureaucratic status orientations tend to be associated with job migration plans.

The hypothesis was generally upheld by the data in Table 29. The cells containing high professional and/or low bureaucratic status orientations accounted for 85 per cent of all those planning to leave their present firm. Only 33 per cent of those planning to leave their present firm were characterized by high bureaucratic status orientations; the remaining 67 per cent were low bureaucratic status orientations. About 41 per cent of those planning migration were low professional while 59 per cent were high professional in status orientation.

Hypothesis 16: CPAs who plan to leave their present firms experience greater status deprivation than those who plan to remain with their present firms.

For both professional and bureaucratic status deprivation those leaving the firm expressed a higher deprivation than those remaining (Table 30). Both positive and negative deprivation were greater in the predicted directions. Over bureaucratization in the professional firm apparently is related to planned migration since those leaving expressed net negative deprivation. Those planning
TABLE 29

Professional and Bureaucratic Status Blends and Migration Plans (5 years)

All Positions

<table>
<thead>
<tr>
<th>Migration Plans</th>
<th>Status Blends</th>
<th>HP—HBA</th>
<th>HP—LB</th>
<th>LP—HBC</th>
<th>LP—LB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working in same firm</td>
<td></td>
<td>45</td>
<td>47</td>
<td>62</td>
<td>38</td>
</tr>
<tr>
<td>Working in another firm, Gov't, Industry, Teaching, or New Career</td>
<td></td>
<td>12</td>
<td>28</td>
<td>10</td>
<td>18</td>
</tr>
</tbody>
</table>

*aHigh professional—high bureaucratic.

*bHigh professional—low bureaucratic.

*cLow professional—high bureaucratic.

*dLow professional—low bureaucratic.

$x^2 = 12.2$, d.f. = 3, $P < .01$.

$C = .214$. 
### TABLE 30

Professional and Bureaucratic Status Deprivations and Job Migration in Five Years (Partners Excluded)

<table>
<thead>
<tr>
<th>Status Deprivation</th>
<th>Working in same firm</th>
<th>Working in another firm, Gov't, Industry, Teaching or New Career</th>
<th>C. R.</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$\sigma$</td>
<td>N</td>
<td>$\bar{x}$</td>
</tr>
<tr>
<td>Professional:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ideal Real</td>
<td>+14.08</td>
<td></td>
<td>193</td>
<td>+20.85</td>
</tr>
<tr>
<td>Ideal Real</td>
<td>- 4.85</td>
<td></td>
<td></td>
<td>- 5.38</td>
</tr>
<tr>
<td>Difference</td>
<td>+ 9.23</td>
<td>8.73</td>
<td>193</td>
<td>+15.47</td>
</tr>
<tr>
<td>Bureaucratic:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ideal Real</td>
<td>+11.10</td>
<td></td>
<td>193</td>
<td>+12.15</td>
</tr>
<tr>
<td>Ideal Real</td>
<td>- 8.81</td>
<td></td>
<td></td>
<td>-14.17</td>
</tr>
<tr>
<td>Difference</td>
<td>+ 2.29</td>
<td>7.15</td>
<td>193</td>
<td>- 2.02</td>
</tr>
</tbody>
</table>

* \( a_p < .10 \) (two tail test).
* \( b_p < .005 \) (one tail test).

To leave the firm were apparently less consistent in their deprivation since the variances were significantly different at \( p < .10 \).

Hypothesis 17: CPAs who plan to leave their present firms are less certain of their status than those who plan to remain with their present firm.
Because migration is more likely at the junior and senior level, the few managers planning to migrate were excluded. The hypothesis was upheld for both professional and bureaucratic status certainty (Table 31 and 32).

Hypothesis 18: CPAs who plan to leave their present firms are less-well satisfied with their jobs than those who plan to remain with their present firms.

If job satisfaction is lower for those planning migration, then the hypothesized impact of a dissatisfying, unsupported, uncertain position—related self-conception on job satisfaction is supported. The failure to demonstrate such an impact would cast grave doubts on the theoretical formulation advanced throughout this study. The evidence presented in Table 33 confirms the hypothesized relationship at a highly significant level, \( P < .005 \).

Those planning migration in the next five years were less-well satisfied than those planning to remain with the firm for at least the next five years. This was true for the entire sample (excluding partners) including separate comparisons for juniors and seniors.

Size of office

Twenty of the twenty four offices\(^1\) included in this study were either "large" or "medium" sized.

\(^{1}\)More specifically, 14 were "large" sized (90 to 360 professional staff), 6 were "medium" sized (40 to 60 professional staff, and 4 were "small" sized (10 to 25 professional staff).
### TABLE 31

Professional Status Certainty and Job Migration Plans of Juniors and Seniors

<table>
<thead>
<tr>
<th>Status Certainty By Position</th>
<th>Working in same firm</th>
<th>Working in another firm, Gov't, Industry, Teaching or New Career</th>
<th>C. R.</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$U$</td>
<td>N</td>
<td>$\bar{x}$</td>
</tr>
<tr>
<td>Seniors</td>
<td>13.8</td>
<td>3.5</td>
<td>64</td>
<td>11.0</td>
</tr>
<tr>
<td>Juniors</td>
<td>11.3</td>
<td>3.3</td>
<td>48</td>
<td>9.4</td>
</tr>
</tbody>
</table>

<sup>a</sup>Not significant at $P < .10$.

<sup>b</sup>$P < .025$. 

---

---
TABLE 32
Bureaucratic Status Certainty and Job Migration Plans of Juniors and Seniors

<table>
<thead>
<tr>
<th>Status Certainty By Position</th>
<th>Working in same firm</th>
<th>Working in another firm, Gov't, Industry, Teaching or New Career</th>
<th>C. R.</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$\bar{N}$</td>
<td>$\bar{x}$</td>
<td>$\bar{N}$</td>
</tr>
<tr>
<td>Seniors</td>
<td>13.8</td>
<td>3.5</td>
<td>64</td>
<td>11.0</td>
</tr>
<tr>
<td>Juniors</td>
<td>11.3</td>
<td>3.3</td>
<td>48</td>
<td>9.4</td>
</tr>
</tbody>
</table>

^a Not significant at $P < .10.$

^b $P < .025.$
TABLE 33
Expressed Level of Job Satisfaction and Migration Plans (5 years) By Position (Partners Excluded)

<table>
<thead>
<tr>
<th>Position</th>
<th>Job Satisfaction (x): Remaining with the firm</th>
<th>Job Satisfaction (x): Leaving the firm</th>
<th>C. R.</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>( \bar{x} )</td>
<td>( s )</td>
<td>N</td>
<td>( \bar{x} )</td>
</tr>
<tr>
<td>Managers</td>
<td>44.9</td>
<td>3.1</td>
<td>45</td>
<td>_a</td>
</tr>
<tr>
<td>Seniors</td>
<td>43.1</td>
<td>4.1</td>
<td>64</td>
<td>38.9</td>
</tr>
<tr>
<td>Juniors</td>
<td>43.0</td>
<td>4.3</td>
<td>48</td>
<td>37.7</td>
</tr>
<tr>
<td>Total</td>
<td>43.6</td>
<td>4.0</td>
<td>157</td>
<td>38.2</td>
</tr>
</tbody>
</table>

^a Not calculated since N is small in one category.
^b Not significant at \( P < .10 \).
^c \( P < .10 \) (two tail test).
^d \( P < .02 \) (two tail test).
^e \( P < .005 \) (one tail test).
Comparisons by size of office (large versus medium and small) are not likely to be especially fruitful with the available data since even the office of 40 (the smallest medium sized office) is likely to have many "large" office organizational problems. Conclusions must be tempered by this shortcoming in the data available for analysis. The failure of a hypothesis to be supported may be from the use of inappropriate data, not from faulty theory.

**Hypothesis 19:** Larger offices tend to be characterized by higher bureaucratic and lower professional orientations and vice versa for smaller offices.

Both elements of the hypothesis were empirically in the correct direction (Table 34), but the bureaucratic status orientations were not significant and the professional status orientations were barely significant at \( P < .10 \) (one tail test). As was the case in several other hypotheses, the professional status orientation variances were significantly different between the two classes of size. The evidence offered here was not especially convincing, yet the hypothesis was not totally disproved. A relevant test of the hypothesis requires data on smaller offices not available in this study.

**Hypothesis 20:** Status deprivation tends to be greater in larger as opposed to smaller offices.
TABLE 34
Professional and Bureaucratic Status Orientations By Size of Firm Office

<table>
<thead>
<tr>
<th>Status Orientation</th>
<th>Large Size (N=193)</th>
<th>Moderate and Small size (N=71)</th>
<th>C. R. (t)</th>
<th>F (var)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$\sigma$</td>
<td>$\bar{x}$</td>
<td>$\sigma$</td>
</tr>
<tr>
<td>Professional</td>
<td>149.1</td>
<td>10.9</td>
<td>151.7</td>
<td>9.1</td>
</tr>
<tr>
<td>Bureaucratic</td>
<td>141.2</td>
<td>14.1</td>
<td>139.8</td>
<td>13.4</td>
</tr>
</tbody>
</table>

$^a$Not significant at $P < .10$.
$^b_P < .10$ (two tail test).
$^c_P < .10$ (one tail test).

The evidence offered in Table 35 does not fully support the hypothesis. Professional status deprivation was not significant and bureaucratic status deprivation was only significant at $P < .10$. Here again, the evidence is not a compelling argument for differences between "medium" and "large" sized offices.

**Hypothesis 21**: Status blends emphasizing higher bureaucratic status orientations are found with greater frequency in larger offices than in smaller offices.

Of the professional personnel in larger offices 55 per cent held status blends emphasizing higher bureaucratic status orientations whereas only 40 per cent of those
TABLE 35

Professional and Bureaucratic Status Deprivations By Size of Firm Office

<table>
<thead>
<tr>
<th>Status Deprivation</th>
<th>Large Size (N=193)</th>
<th>Moderate and Small Size (N=71)</th>
<th>C. R.</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$\sigma$</td>
<td>$\bar{x}$</td>
<td>$\sigma$</td>
</tr>
<tr>
<td>Professional:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ideal &gt; Real</td>
<td>+15.65</td>
<td>9.34</td>
<td>+15.84</td>
<td>10.37</td>
</tr>
<tr>
<td>Ideal &lt; Real</td>
<td>-4.99</td>
<td></td>
<td>-5.03</td>
<td></td>
</tr>
<tr>
<td>Difference</td>
<td>+10.66</td>
<td></td>
<td>+10.82</td>
<td></td>
</tr>
<tr>
<td>Bureaucratic:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ideal &gt; Real</td>
<td>+11.08</td>
<td></td>
<td>+12.18</td>
<td></td>
</tr>
<tr>
<td>Ideal &lt; Real</td>
<td>-10.35</td>
<td></td>
<td>-9.54</td>
<td></td>
</tr>
<tr>
<td>Difference</td>
<td>+.73</td>
<td>7.96</td>
<td>+2.65</td>
<td>7.16</td>
</tr>
</tbody>
</table>

\textsuperscript{a}Not significant at $P < .10$.

\textsuperscript{b}$P < .10$ (one tail test).

in "medium" and "small" offices held such orientations (Table 36). The relationship, however, is partially shrouded by a low level of significance ($P < .20$).

**Hypothesis 22:** Job satisfaction tends to be higher in smaller as opposed to larger offices.

This hypothesis was not supported by the data in Table 37. Neither critical ratios nor F ratios of variance were significant. Size (basically large versus medium) of
TABLE 36
Frequency By Office Size of Professional and Bureaucratic Status Blends (Percentaged)

<table>
<thead>
<tr>
<th>Size</th>
<th>Status Blends</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HP—HB&lt;sup&gt;a&lt;/sup&gt;</td>
<td>HP—LB&lt;sup&gt;b&lt;/sup&gt;</td>
<td>LP—HB&lt;sup&gt;c&lt;/sup&gt;</td>
<td>LP—LB&lt;sup&gt;d&lt;/sup&gt;</td>
</tr>
<tr>
<td>Large</td>
<td>22%</td>
<td>26%</td>
<td>32%</td>
<td>20%</td>
</tr>
<tr>
<td>Moderate and Small</td>
<td>20%</td>
<td>34%</td>
<td>20%</td>
<td>26%</td>
</tr>
</tbody>
</table>

<sup>a</sup>High professional—high bureaucratic.
<sup>b</sup>High professional—low bureaucratic.
<sup>c</sup>Low professional—high bureaucratic.
<sup>d</sup>Low professional—low bureaucratic.

\[ x^2 = 4.68, \ P < .20. \]
\[ C = .135. \]
### TABLE 37

Expressed Job Satisfaction and Size of Office

<table>
<thead>
<tr>
<th>Job Satisfaction By Position</th>
<th>Large Size</th>
<th></th>
<th>Moderate and Small size</th>
<th></th>
<th>C. R.</th>
<th>F</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$\bar{x}$</td>
<td>$\sigma$</td>
<td>$N$</td>
<td>$\bar{x}$</td>
<td>$\sigma$</td>
<td>$N$</td>
</tr>
<tr>
<td>Partners</td>
<td>47.3</td>
<td>3.1</td>
<td>28</td>
<td>47.9</td>
<td>2.3</td>
<td>9</td>
</tr>
<tr>
<td>Managers</td>
<td>43.9</td>
<td>4.1</td>
<td>35</td>
<td>45.3</td>
<td>2.8</td>
<td>13</td>
</tr>
<tr>
<td>Seniors</td>
<td>42.0</td>
<td>4.7</td>
<td>67</td>
<td>41.0</td>
<td>4.9</td>
<td>28</td>
</tr>
<tr>
<td>Juniors</td>
<td>41.0</td>
<td>5.3</td>
<td>63</td>
<td>39.9</td>
<td>6.2</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>42.8</td>
<td>5.0</td>
<td>193</td>
<td>42.3</td>
<td>5.6</td>
<td>71</td>
</tr>
</tbody>
</table>

<sup>a</sup>Not significant at $P < .10$.

Accounting firm offices apparently does not affect the level of job satisfaction.

The final task now becomes one of weaving the findings into a comprehensive statement and examining the consequences of the findings for the profession of public accounting.
CHAPTER VII
SUMMARY AND CONCLUSIONS

As the profession of public accounting matures it will receive more attention from social scientists. Such a trend is desirable since there is no longer serious question that a scientific study of public accounting is possible and that such a study can contribute to the development of the profession.

Any attempt to understand the nature of the public accounting profession cannot be complete if it does not emphasize the degree to which the profession has been influenced by the normative foundations of the bureaucratic mode of organization. Empirical evidence is greatly needed for the question of organization is fundamental to any real diagnosis of the profession. Research evidence (including this study) is not yet available in sufficient depth to fully appraise how far bureaucratism has moved to the center of the large firm certified public accountant's value system.

This study was designed to provide a compact, empirically based, but provisional synthesis of a crucial
feature of the public accounting profession in the United States—the large firm's mode of organization. The pervasive nature of the professional—bureaucratic occupational status adjustment process highlights a major problem of the modern certified public accountant. More knowledge about this process is not only desirable but essential if accounting educators and practitioners hope to realize their mutual goal of a mature profession.

The primary objective was to determine whether the normative foundations of bureaucratic and professional organization viewed through the concepts of self and role could help to explain the variability in occupational status orientations, job satisfaction, and job migration plans of CPAs in large public accounting firms. In general, this study sought to identify and analyze a source of confusion and disagreement that seems to be built into the internal functioning of the large firm CPA's occupational statuses. In the final analysis perhaps this study will not provide as many answers as it will questions—critical questions which have not been studied deeply or systematically.

The branch offices of four national public accounting firms formed the empirical foundation of the study. The random sample (stratified by position) included six geographically dispersed branch offices from each
participating firm (offices = 24), a total of 264 respondents, and a response rate of 80 per cent. The size of the offices ranged from 10 to over 360 professional staff with 80 per cent of the offices maintaining a professional staff of 40 or more.

The instruments were basically Likert-type. Reliability, internal consistency, and validation of constructed scales were evaluated by (1) an inter-item correlation coefficient of determination \( r^2 \), (2) an inter-item correlation coefficient \( r_{xy} \), and (3) the "known-group" comparisons method respectively.

**Professional and bureaucratic status orientations in large public accounting firms**

From the earliest evidences of the formation of a profession identified as public accounting, there has been a discernable quest for increased professional status. Starting with the early "fraud and error" (bookkeeping?) audits, the public accountant in the United States has risen to new heights of knowledge and service in auditing, tax, and management services. This rise underscores his basic, broad theme of professionalization.

Bureaucracy as an important idea within the profession has been revealed by the gradual emergence of de facto bureaucratic organization designed to cope with
changing demands of public accounting clientele, particularly the geographically dispersed client.

As sociologists observed nearly a century ago, the proponent of the merged professional and bureaucratic modes of organization has to face sooner or later several important conflicts in normative foundations. The (certified) public accountant not only faces dynamic shifts in the bounds of his professional status (especially a break with the "bookkeeping" tradition), but he also faces a conflict in his mode of organization. Important differences between professional and bureaucratic modes of organization stem from alternative normative pre-and-proscriptions along general dimensions such as authority, standardization, and specialization (see Chapter III, Table 1). These differences accentuate a basic tension between the modes and help to explain why the attempt to blend the two modes is intrinsically difficult.

Both modes are de facto and inseparable parts of the tradition of large public accounting firms and their union has often posed perplexing questions. Already it is plain that the logical contradictions (as opposed to the logical similarities) between the two modes plague the career development of the CPA in the large firm. From the viewpoint of the individual the general problem seems to be
career disillusionment. Professional career disillusionment stems basically from the seemingly inevitable difference between the CPA's initial conception of his career and his resulting experience with it. The professional—bureaucratic conflicts are only part of the disillusionment which may be expressed in several ways. For example, a revision or modification of initial status orientations suggests disillusionment with initial images. Status deprivation and status uncertainty (two additional examples) seem related to job dissatisfaction and/or planned migration from the firm or the profession. In this investigation career disillusionment was examined in relation to the normative foundations of professional and bureaucratic modes of organization.

One of the comprehensive assumptions underlying the subsequent analysis was the presumed impact of educational institutions on the values and behavior of certified public accountants. The variability of initial attitudes brought by the student to the university and the university's impact (neither of which was under direct examination in this study) have been assumed in order to examine the position—related self-conception held by CPAs within the large firm's local office.
The findings

The marked differences in professional and bureaucratic status orientations among public accountants holding various positions (and public accountants with varying years of experience) point to differing conceptions of these orientations. Stated in another way, the level of consensus among and between position incumbents (partner, manager, senior, and junior) is lower than the consensus within a position. The trends of these differences are consistent but in opposing directions: increases in bureaucratic status orientations and decreases in professional status orientations from junior through partner.

Since both professional and bureaucratic status certainties increased with position, experience and success seem to produce greater confidence in each status. Note-worthy is the matching decline in professional status orientation and increase in bureaucratic status orientation. Newer members of the profession apparently have uncertain as well as unrealistic status orientations, at least in a relative sense to other positions. The young college graduate seems to embark on his public accounting career with some degree of unrealism and uncertainty—a high but unrealistic and uncertain professional status orientation and a low but unrealistic and uncertain bureaucratic status orientation.
The transformation process of these status orientations reflects the more general behavioral problems of identification and motivation. Differing reference groups (opinions of those persons whom the CPA considers important) may explain why the CPA conforms to one set of expectations rather than another when confronted with conflicting norms (roles or statuses). However, why a CPA identifies with one reference group over another seems even more vitally connected with the maintenance of an identity. Since identity is essentially a social product, longitudinal research is needed which includes an intensive examination of pre-college attitudes, an analysis of the effects of the college program itself, and the impact of post-graduate work experiences. The present research only points up this research need. One assumption does seem validated: reference groups in the firm tend to encourage versions of professional and bureaucratic statuses which differ from those in the university.

After briefly sketching status orientations the focus was broadened to include the relative emphasis on each status orientation (status blend). There were important grounds suggesting that a disproportionate number of partners and managers incorporate a high bureaucratic status orientation in their status blend. In contrast was the
equally impressive evidence that seniors and juniors hold status blends which include a high professional status orientation. This evidence suggests that many newer members of the public accounting profession employed by large firms face a status strain. This strain also seems to reflect itself in the problems of local office administrators. As one partner revealed to the author in a confidential interview, "My difficulties are not so much ability as attitudes."

The marked differences in professional and bureaucratic status deprivation among different position holders form a striking pattern suggesting differences in perception of bureaucratic and professional organization are related to an incumbent's location in a complex organization. The patterns of deprivation suggest that lower positional (and less experienced) incumbents feel there is too much bureaucracy while higher (and more experienced) positional incumbents feel there is too little bureaucracy.

The way status orientations are merged into a status blend presumably has an effect on the direction and intensity of status deprivation, that is, the difference between the CPA's ideal and his perceived reality. The CPA who wishes to fulfill both orientations at the same time but cannot because they are conflicting will likely
feel that his ideals are not achieved in either case, thus experiencing strong positive professional and strong positive bureaucratic status deprivation. In this study the CPA who held a high professional and a high bureaucratic status orientation jointly was found to experience strong positive status deprivation (i.e., his ideal exceeded his perceived reality). The reciprocal status blend (low professional—low bureaucratic) exhibited weak positive status deprivation (i.e., little difference between the CPA's ideal and his experiences) or negative status deprivation (i.e., the CPA's perceived reality is beyond what he defines as an ideal) providing additional evidence that when high professional and high bureaucratic status orientations are considered jointly they produce conflict.

The transformation of status orientations seems to have the effect of reducing the differences between the CPA's ideals and his perceived realities. Increase in rank (and years of experience) revealed downward revisions of professional status orientations and upward revisions of bureaucratic status orientations. These trends were matched by decreases in differences between ideals and experiences, thus suggesting a modification of the status orientation (the ideal) in the direction of perceived reality. Status modification seems to either reduce the discrepancy between
the ideal and reality or change the nature of the deprivation. The beginning of the CPA's career is typified by low positive or negative bureaucratic deprivation which progresses, comparatively speaking, to a strong positive bureaucratic status deprivation as a partner. This pattern is also matched by a decrease in the absolute amount of status deprivation. While the CPA may experience some bureaucratic status deprivation even as a partner, the level and direction are likely to be different.

With the minor exception of the first few years of employment the downward revision of professional status orientations was accompanied by decreases in the differences between the CPA's ideal and perceived reality, thus suggesting professional status modification provides a primary means of reducing professional status deprivation.

The apparent minor exception reveals both a relatively constant professional status deprivation and a relatively constant status orientation. This pattern provides a logical contrast to the process of reducing status deprivation through status modification.

In summary, status modification seems to be an important way of handling occupational status conflicts in large public accounting firms. When status orientations are revised, deprivation is lowered (or modified) and when
status orientations remain relatively constant so does status deprivation.

Perhaps the basic dilemma of merging two partially conflicting modes of organization can be viewed summarily by how the CPA evaluates his administrators. Professional status deprivation was inverse to an evaluation of the firm administration. This evaluative relationship suggests that CPAs who experience high professional status deprivation perceive administrators (largely local office) as contributing to a less ideal enactment. Essentially the same disagreement pattern exists for bureaucratic status deprivation and evaluation (although the evidence is not as compelling since the critical ratios were not significant). In short, the problem is dissensus on how to perform the CPA's professional and bureaucratic function.

Consequences for the large firm and the profession

The patterns of status orientations (including their relative emphasis, deprivation and certainty) for the CPA in the large public accounting firm have been briefly sketched. The precise consequences of these patterns even after the study are still imperfectly stated or understood. While recognizing the complexity of the subject, two general consequences were explored: (1) job
satisfaction and (2) job migration plans. A third problem area—size of local office—was also explored in relation to status orientations, job satisfaction, and job migration.

**Job satisfaction.** Job satisfaction seems to be more affected by bureaucratic status orientation. CPAs with low bureaucratic status orientations consistently tended to be less-well satisfied, but the pattern did not hold for low professional status orientations. In fact, a low professional status orientation did not tend to generate job dissatisfaction if it was accompanied by a high bureaucratic status orientation. High professional status orientations tended to be satisfying if accompanied by a high bureaucratic status orientation.

In the clash between status orientations the bureaucratic status orientation appears to be a greater determinant of the level of job satisfaction. Low bureaucratic status orientations are devalued, and therefore, dissatisfying. This is, indeed, an important finding for the potential entrant to the profession: his orientation to the firm is likely to be more important to his job satisfaction than is his professional orientation. The CPA probably finds that a high professional orientation alone is not enough to provide high job satisfaction. Such a finding only underscores the conflicting relationship between professional and bureaucratic modes of organization.
The impact of status deprivation on job satisfaction is two fold. Positive professional status deprivation (ideal is greater than perceived reality) and negative bureaucratic status deprivation (ideal is less than perceived reality) suggest that the inability to achieve professional ideals is as dissatisfying as being "overbureaucratized."

Increased status certainty was matched by increased job satisfaction. Decreasing the uncertainty of one's position—related self-conception seems paralleled by an increased satisfaction with an activity. On the job experience seems to be one of the important facets related to the CPA's position—related self-conception. Accounting practitioners may be unsuspectingly highlighting negative sanctions by using the "management by exception" principle in work evaluation. Several juniors, seniors, and supervisors voiced concern or complaint (during pre-testing interviews) over inattention to their positive development. Several indicated the only "real" reading they received was a compensation increase and then it was a doubtful measure since nearly everyone received raises (or bonuses) and the amounts were well-guarded secrets. In short, if the uncertainty of the position—related self-conception is not being reduced, the incentive to search for a more certain identity elsewhere (e.g., with the client) is likely to be increased.
Job migration. Over 30 per cent of all managers, seniors, and juniors in the sample plan to leave the firm within five years (excluding retirements). About 40 per cent of all juniors and 33 1/3 per cent of all seniors in the sample plan migration from the firm within five years. These averages are below the norm of 50 per cent suggested by Carey.¹ The migration plans presented in this sample may be underestimated, but such a conclusion is difficult to reach. The sample is based on expected migration while Carey’s standard seems to be based on actual average migration figures. Much of the discrepancy is likely to be accounted for by the differing time referents implicit in the comparison.

Migratory and non-migratory CPAs apparently do not differ in professional status orientations (although the migrating CPA is slightly higher) but differences in bureaucratic status orientations are distinct. Those planning migration have significantly lower bureaucratic status orientations than those planning to remain with their current firm. This in turn (logically and in fact) was accompanied by lower job satisfaction. Part of the profession’s migration problems seem to stem from the task

¹Supra, IV, p. 7.
of managing a hybrid professional—bureaucratic status orientation. Those leaving do not necessarily seek a less bureaucratic work environment since their bureaucratic status orientations in industry, for example, are unknown. The singular emphasis on bureaucratic status orientation in industry may well be more manageable and satisfying than the hybrid forced upon the public accountant.

Eighty-five per cent of those planning migration are characterized by high professional and/or low bureaucratic status orientations (in their status blends) which are accompanied by lower professional and bureaucratic status certainty. This suggests that those leaving are less certain of what they are (lower status certainty), but despite this relative uncertainty they still are not low professional or high bureaucratic in position—related self-conceptions.

Those planning to leave the firm were characterized by higher positive professional status deprivation and negative bureaucratic status deprivation. In general, this can be interpreted to mean that those leaving perceive (1) an inability to activate a more idealized professional status and (2) an overbureaucratized work environment.

This conclusion unfettered by qualifications is subject to misinterpretation. Two important variables, ability and
technical competence, have not been systematically incorporated with orientations. Perhaps the administrator defines the "migrating" CPA as less able and less competent, and therefore, does not permit him access to the more professional experiences and at the same time uses many organizational means to protect the firm and client from the dysfunctions of an individual's lower capability.

In several instances, however, partners and managers freely admitted the loss of personnel who clearly showed ability and competence. Apparently, the emphasis placed on "proper" orientations cannot be easily dismissed. Nearly all of the participating firms evaluate from five to ten orientation variables, in addition to technical competence, on their personnel evaluation forms. Even the conscientious youth who attempts to develop the position—related self-conception advocated by the practitioner finds the task a difficult one because of contradictions in value referents. For example, the college graduate is expected to excel but not "show off," show creativity but be a good follower, and be an aggressive salesman but not behave unprofessionally. This only serves to highlight the difficulty in developing "proper" orientations.

Finally, those planning migration were experiencing a lower job satisfaction. This finding tends to
summarize the hypothesized impact of an unfilled, uncertain position—related self-conception.

**Size of office.** The available data only permitted comparisons of "large" sized (90 to 360 professional staff) versus "medium" sized (40 to 60 professional staff) and "small" sized (10 to 25 professional staff). There was some evidence suggesting that larger offices tended to be less professional in status orientations (with no differences in bureaucratic status orientations) and bureaucratic deprivation tended to be somewhat greater in large offices. Job satisfaction was not found to vary with size of organization.

Probably a better test of the hypotheses concerned with office size must await more data on smaller offices since the office of 40 professional staff (the smallest medium sized office) is confronted with organizational problems also characteristic of much larger offices.

**Suggested directions for the future**

The theory and evidence presented here portray an imperfect union of professional and bureaucratic modes of organization. The emphasis upon this general finding represents a convergence of several analytical viewpoints
confirming the general thesis of this study:

The current development of the public accounting profession through large, complex bureaucratic firms (organizations) is accompanied by, in part, a process of conflict, deprivation, and transformation of the CPA's occupational status orientations. Job mobility and job satisfaction are partially determined by variation in occupational status orientations and by the way in which such orientations are organized, fulfilled, and modified by CPAs in the professionalized bureaucracies of large public accounting firms.

No longer can the educator, practitioner, or writer perpetuate the naivete of a perfect organizational union. Conflict, deprivation, and uncertainty (in professional and bureaucratic terms) of this union have a wide range of consequences, including job dissatisfaction and job migration. The patterns of ideal status orientations and status deprivations suggest that professional self-conceptions are challenged and transformed by the requirements of bureaucratic status. In sum, there seems to be important conflicts between professional and bureaucratic occupational statuses in the large CPA firm.

Educators, generally charged as guardians of the professional values, are likely to feel a compulsion to stress "ideal professional goals" and to ignore the organizational means to carry out the goals. The evidence points to unrealism in the educator's effort to mold status orientations—a high but unrealistic professional status
orientation and a low but unrealistic bureaucratic status orientation. While the conflict which emerges from a quest for professional status and the appropriate mode of organization may not be fully resolved, the nature of the conflict (and its impact on job satisfaction and job migration) should be recognized and explained to the student aspiring for a public accounting career. Some of the constructive alternatives are, for example, more classroom attention to bureaucratic status orientations, extended educational programs, and more emphasis on intern programs which provide an overview of public accounting. These alternatives may help to minimize the impact of status conflict and the problems of identity.

The task is not solely one of the educator. Since professional and bureaucratic status orientations seem to vary in opposite directions, the following speculative question may be posed: if the firm decreases its emphasis on bureaucratic orientations, are professional orientations likely to become more idealistic? While the answer may be a positive one, the practical need for coordination looms as a large deterrent for such an experiment. Furthermore, the balance between the orientations is not well understood; perhaps the bureaucratic orientation can be increased by a rather modest decrease in professional orientation.
A more fully developed probe for "answers" to the problems posed here constitutes a study in itself. In the final analysis perhaps the CPA must come to grips with a startling and unpleasing reality: so long as there is substantial emphasis on bureaucratic organization the certified public accountant will necessarily sacrifice some portion of his professional status. The friction between the two modes cannot be totally eliminated, but perhaps it can be arrested at its present level or even reduced. Since the CPA's audit tasks (and perhaps others) lend themselves to both professional and bureaucratic modes of organization, some conflict must simply be endured.

In conclusion, the task at hand was a complex one and the reader cannot be reminded too often that this effort was a first approximation deserving refinement. This study was based primarily on testimony, and the serious student of human conduct should not accept testimony uncritically as final evidence. Final evidence is not claimed; the claim is only for a first approximation.
APPENDIX I

Invitation to Participate in the Study

(The Ohio State University Letterhead)

Mr. -------
Managing Partner

Dear Mr. -----

This is a request for your firm's participation in a research study dealing with the CPA as a professional in a large organization. Large CPA firms such as yours are unique combinations of the professional and the large administrative forms of organization. Up to this time there has been little research on how the CPA understands the meshing of the principles of professional and administrative organization.

Enclosed is a summary statement of the problem and its importance, objectives and methodology of the study, and a copy of the data-gathering questionnaire.

To accomplish the research on a sound methodological basis requires a random sample of about six to eight of your local offices throughout the United States. More detail on the sample can be found on page three of the summary. Each partner-in-charge of the offices selected would be contacted individually for briefing purposes. The sample will include other national firms.

The returned questionnaires will be confidential and anonymous. There is no way by which questionnaire responses can be associated with any given individual. Any firm participating in the study will not be identified in any verbal or published statement. As a CPA (Colorado) and as a member of the AICPA, I fully recognize my ethical responsibility in handling confidential information.
The questionnaire was developed with the co-operation of the nationally-known Ohio State psychologists, sociologists and several Ohio offices of national public accounting firms. Although the questionnaire may look long, pre-testing indicates we can obtain reliable results in about an hour. After preliminary questions, the respondent is asked to state his agreement or disagreement with a series of statements defining the CPA’s work and his level of job satisfaction.

Perhaps it would be helpful if I were to state my requests specifically:

1. If your firm is willing to participate in this research, would you please prepare a memorandum (which I could copy and send with the questionnaire) urging the randomly selected members of your firm to complete and return the questionnaire?

2. Would you please forward a current directory of your firm’s members and the positions they hold? In addition, any information you have on age, level of education, years of service with the firm, etc., of your firm’s members would be helpful.

Your co-operation will be important for the success of the study. Thank you for your time and thought. I shall look forward to your reply.

Respectfully,

James E. Sorensen
Instructor of Accounting

JES/Jw
Enclosures
APPENDIX II

Letter of Explanation Accompanying the Questionnaire
(The Ohio State University Letterhead)

Dear Fellow CPA:

We need your help. This is a request for your participation in a pioneering research project dealing with the CPA as a professional in a large organization.

Mr. ------ and Mr. ------, on behalf of your firm, have endorsed this research, and they personally urge you to complete and return the enclosed questionnaire.

The returned questionnaires will be confidential and anonymous. It is impossible to associate your questionnaire responses with you as an individual. All firms participating in the study will remain unidentified in any verbal or published statements. As a fellow CPA and as a member of the AICPA, I assure you that no one except a few professional researchers (and no one from your firm) will have access to your questionnaire or your responses. All questionnaires will be returned directly to The Ohio State University.

Please be completely candid. The success of the study and the conclusions ultimately derived from it are dependent on the accuracy with which you report your opinions and observations.

Please complete the questionnaire in one sitting (about an hour) and without consultation with your colleagues. Please return the questionnaire in the enclosed envelope at your earliest convenience.
Your time and thought will be of a significant value in the formulation of systematic statements about the profession of accounting. Thank you sincerely for your time and effort.

Respectfully,

James E. Sorensen
Principal Investigator

JES/ez
Enclosures
APPENDIX III
PERSONAL BACKGROUND INFORMATION
AND INSTRUCTIONS

CONFIDENTIAL

THE CERTIFIED PUBLIC ACCOUNTANT QUESTIONNAIRE IN THREE PARTS

The information in this questionnaire will be used solely for theoretical purposes. The questionnaire is anonymous and all answers will remain completely confidential. The questionnaire is composed of three parts: (1) selected personal information, (2) how you view your work as a professional CPA, and (3) your job satisfaction. Please answer all questions. DO NOT SIGN YOUR NAME!

PART I
SELECTED PERSONAL BACKGROUND INFORMATION

1. Your position: ________________________________

2. Type of firm: ☐ national ☐ regional

3. Number of professional accounting personnel in your local office (exclude secretarial): ☐ under 10 ☐ 10-25 ☐ 25-35 ☐ 50-75 ☐ 75-100 ☐ over 100

4. Are you a CPA? ☐ yes ☐ no If not, how many parts of the CPA examination have your passed? ____________ parts

5. Your sex: ☐ male ☐ female
6. Your age at last birthday: _______ years

7. How many years have you worked in public accounting? _______ years

8. How many years have you worked for this firm? _______ years

9. In how many different local offices of your present firm have you been assigned? (include your current office) _______ offices

10. In how many other public accounting firms (including self-employed) have you worked? _______

11. What is your current area of emphasis? (Check one)
   ☐ auditing  ☐ tax  ☐ mgt. services
   ☐ other (specify) ___________________________

12. Which of the following represents your highest level of formal education? (check one)
   ☐ high school diploma
   ☐ college; please indicate the number of years of college
   (full-time nine month academic years) _______ years

13a. Which of the following represents the highest college degree you have completed:
   ☐ Bachelor  ☐ 2 year degree  ☐ none
   ☐ Master  ☐ Ph.D. or D.B.A.  ☐ other (please specify) __________________________

b. For the above degree, was your major accounting? ☐ yes  ☐ no
   (if not, please specify) __________________________

c. Name and location of college where your highest degree was awarded:
   __________________________ __________________________ (State)
14. Type of college (or school) where you did most of your undergraduate work: (check one)

- College of Business Administration
- Liberal Arts College
- College of Engineering
- College other than the above (specify)__________________

15. Please estimate the total number of semester college hours which you have earned outside of accounting (3 quarter hours equal 2 semester hours): ________ hours

16. Which of the following represents your total accumulative grade average in undergraduate school? (Check one)

- [ ] A  
- [ ] B+  
- [ ] B  
- [ ] C+  
- [ ] C  
- [ ] D+  
- [ ] D

17. If you are a member of one or more professional accounting associations, select two associations in which you have been most active during the past three years (or less): (e.g., AICPA, AAA, State Society)

1. ____________________

   For the above association please indicate whether you have (Check one)

   - [ ] been dues-paying member only
   - [ ] occasionally attended meetings, conferences, and conventions
   - [ ] attended meetings, conferences and conventions regularly
   - [ ] been very active on committees
   - [ ] presented or contributed to one or more programs
   - [ ] held office in local organization
   - [ ] held office in national organization

2. ____________________

   For the above association please indicate whether you have (Check one)

   - [ ] been dues-paying member only
   - [ ] occasionally attended meetings, conferences, and conventions
   - [ ] attended meetings, conferences and conventions regularly
   - [ ] been very active on committees
   - [ ] presented or contributed to one or more programs
   - [ ] held office in local organization
   - [ ] held office in national organization
18. How many professional conferences and training programs have you attended in the last two years:
- firm sponsored
- AICPA
- AAA
- NAA
- Other

19. Do you subscribe to any professional journals?
☐ no
☐ yes; how many

20. Please estimate how much time you have devoted to reading professional journals each month during the past year: ______ hours per month

21. Have you published any professional articles or books? Articles
☐ no
☐ yes; how many

22. Have you made any professionally related speeches in the last two years?
☐ no
☐ yes; how many

23. How many days work have you missed since the first of the year (exclude conferences, training programs, conventions, paid vacation, days in hospital): ______ days.

24. In which of the following ranges does your current annual gross salary fall:
- under 5,000
- 5,001-6,000
- 6,001-7,000
- 7,001-8,000
- 8,001-9,000
- 9,001-10,000
- 10,001-12,000
- 12,001-14,000
- 14,001-16,000
- 16,001-18,000
- 18,001-20,000
- 20,001-25,000
- 25,001-30,000
- 30,001-35,000
- 35,001-40,000
- over 40,000

25. What do you actually anticipate that you will be doing two (2) and five (five) years from now?
In two (2) years from now I will be: Please check only one

- Working in the same firm, same position
- Working in the same firm, better position
- Working in another firm (includes self-employed)
- Working in business, government, or teaching (doing accounting-based work)
- Working in another career (other than accounting)
- Retired

In five (5) years from now I will be: Please check only one

- Working in the same firm, same position
- Working in the same firm, better position
- Working in another firm (includes self-employed)
- Working in business, government, or teaching (doing accounting-based work)
- Working in another career (other than accounting)
- Retired

26. Please check one of the following responses which you believe represents your immediate superior's evaluation of your loyalty to the firm: (Check one)

☐ poor ☐ fair ☐ average ☐ excellent ☐ superior

27. Would you leave your present position for an equivalent position: (Check one for each question)

a. at a lower salary? ☐ no ☐ yes

b. at the same salary? ☐ no ☐ yes

c. at $500 a year salary increase? ☐ no ☐ yes

d. at $1,000 a year salary increase? ☐ no ☐ yes

e. at $3,000 a year salary increase? ☐ no ☐ yes

f. at $5,000 a year salary increase? ☐ no ☐ yes
28. Please check one of the following responses which you believe represents the quality of your firm's administrators:
(Check one)

☐ poor  ☐ fair  ☐ average  ☐ excellent  ☐ superior

YOU HAVE COMPLETED PART ONE OF THREE PARTS
PLEASE REVIEW PART ONE FOR OMISSIONS

PART II: HOW CPAs VIEW THEIR WORK

INSTRUCTIONS: Following is a list of statements about the work of CPAs. You will probably agree with some of the practices (or beliefs) suggested and disagree with others. There are no right or wrong answers. You are asked to indicate (a) the extent to which you think the practice should be an ideal for accounting and (b) the extent to which you have observed the practice IN FACT in your firm. Please indicate how you feel about each statement by underlining as in the example.

SA - strongly agree (yes with almost no exceptions)

A - agree (yes with some exceptions)

U - undecided (both yes and no because the number of exceptions are about equal in either case)

D - disagree (no with some exceptions)

SD - strongly disagree (no with almost no exceptions)
EXAMPLE: In a particular office, CPAs are required to follow a manual of accounting rules and procedures published by the firm.

a. Do you think CPAs should approve of this practice? SA A U D SD

b. Does this practice exist in your office? SA A U D SD

Please consider the statement of what should be the case and what is the case separately; try not to let your answer to one statement influence your answer to the other statement. Be sure to answer each statement.

The above directions and definitions are important for the correct interpretation of this instrument. Please reread them to insure your clear understanding. Thank you.
APPENDIX IV

Part A

Questionnaire Items

Bureaucratic Items

1. In a particular local office, CPAs are permitted to practice their ideas of what are the best accounting theories and practices even though the firm prefers other views.

2. Some nonpartners (e.g., managers, seniors, and juniors) are loyal to a partner even if the partner is not as competent as he should be for the position.

3. In a firm, CPAs are encouraged to go elsewhere if they openly criticize the firm and its method of operation to outsiders.

4. A particular CPA does not permit himself to be influenced by the opinion of other CPAs in the firm whose ideas are at variance with the thinking of his firm's administrators.

5. In a firm, managers and seniors criticize the actions of resident partners whether they are present or not.

6. A senior has observed a junior, who was worked for the firm several months, violating an important rule of the firm for the second time; the senior mentioned it again to the junior but did not carry it any further (e.g., to the manager or partner).

7. One of the best ways a CPA can "keep out of trouble" is to follow the wishes of his superiors on administrative matters.
8. Administrative positions within the firm should be filled by "first-rate" (not "second-best") administrators.

9. Sometimes a nonpartner feels a particular criticism by a partner is not justified, but he is willing accepts it simply because the partner is his "boss."

10. Some partners believe that nonpartners within the firm should comply with the administrative decisions that they, the partners, must make primarily because of the official position of the partners (e.g., a decision on work assignments).

11. What is best for the welfare of the firm is also best for the welfare of the profession.

12. A particular CPA puts the interests of the firm above everything else.

13. A CPA considers commitment to the firm more preferable than commitment to a nebulous concept called the "profession."

14. A CPA firm prohibits sport jackets, requires all of its members to wear hats, and prohibits sports cars for transportation to a client's premises.

15. The respect from the knowledgeable members of other firms should be preferred to the respect from the members of one's own firm.

16. Whenever a particular CPA evaluates his colleagues within his firm, dedication to the firm receives somewhat less emphasis than competence in accounting theory and practice.

17. Both the CPA and his wife should expect to join some social or voluntary organizations if these memberships will be helpful to the firm.

18. If a member of the firm commits a minor infraction of the Code of Ethics, the member should be dismissed from the firm (e.g., the CPA owns an insignificant amount of a client's stock given to him in the past by his father and he is currently working on the client's accounts).
19. CPAs should go out of their way to help the firm present a "united front" to clients and other firms in accounting matters, even if they (the CPAs) personally disagree with the firm's position.

20. It is more important to have members of the firm accept differences of opinion on accounting matters than it is to have agreement on these matters within the firm.

21. A particular CPA office is concerned with its CPAs' private lives away from the office.

22. A trend to eliminate or reduce public accounting work experience before CPA certificates are issued is considered by some CPAs to be a highly favorable development.

23. Public accounting experience gives the CPA an opportunity to practice his incorrect ideas on his clients.

24. Some CPA firms require their CPAs to schedule and use procedures in their work in such a way that a replacement could take over at a moment's notice without serious interruption.

25. A good CPA should be able to accomplish the work assigned to him within the time allotment given to him.

26. CPAs should try to make an accounting service as uniform as possible in its quality from one client to another.

27. It is all right to transfer CPAs from one audit to another as the need arises.

28. A particular CPA firm fits the assignment and rate of accomplishment to the individual CPA as opposed to standardizing the CPA's experience and expected accomplishment.

29. CPAs should be checked frequently to see if they are staying on their time budgets.
30. CPAs who supervise juniors and seniors should encourage them to stay with the "tried and tested" procedures of the firm.

31. A firm requires its CPAs to be completely familiar with the firm's written description of rules, procedures manual, and other standard operation procedures necessary for their work.

32. The failure to maintain records in accordance with the specified procedures of the firm (in addition to those required by generally accepted auditing standards) should not be grounds for dismissal.

33. Rules stating when CPAs should arrive and depart from the office or client's premises should be strictly enforced.

34. There will always be some rules of the firm that virtually everyone will ignore.

35. The rules of the firm are only a framework within which the CPA operates; day-to-day decisions always demand that the CPA use his own judgment in interpreting them.

36. A nonpartner, Mr. A, noticed another nonpartner, Mr. B, violating a minor rule (or policy) of the firm. When this happened, Mr. A tactfully pointed out the infraction to Mr. B.

37. When a controversy arises about the interpretation of a firm's rules, one should "stick his neck out" by taking a position.

38. An otherwise competent CPA was lax about several administrative procedures and, as a result, was given a poor performance rating.

39. In general, rules and procedures of the individual public accounting firms should be loosely enforced.

40. Older members of the firm should be resolute with newer members of the firm (especially juniors) by making certain the new members follow the rules and procedures of the firm closely.
Professional Items

1. Consider the following practice. A CPA does not do anything that he believes may materially affect the legitimate interest of his client regardless of who tells him to or what a rule of the firm states.

2. There are CPAs who never violate a rule of the firm, even if they are sure that the best interests of the client will served in doing so.

3. Clients have accounting problems which show up in unique ways, thus requiring individualized treatment.

4. A particular CPA permits his clients to influence him; that is, "giving the customers what they want."

5. A CPA believes there is nothing improper in the conduct of a firm member if he openly or inferentially suggests to potential clients that his firm will accept "alternative" accounting practices which other firms will not (e.g., "clean versus dirty surplus").

6. A CPA should not be able to enhance his own self-interest unless he serves the interest of his clients to the best of his abilities.

7. A CPA seldom tries to live up to what he thinks are the standards of his profession because many of his clients do not seem to respect him for his effort.

8. CPAs should try to live up to what they think are the best standards of their profession even if some of the members of the business community do not seem to respect them for it.

9. The degree of respect that a local office commands from the other CPA offices (in the same geographic area) should be one of the criteria for a good office.

10. CPAs should try to put their standards and ideals of good accounting into practice even though the rules and procedures of the firm (or local office) prohibit it.
11. When CPAs are together informally away from the office (e.g., at home) they should not talk about any of their respective client's problems.

12. Partners should maintain a rather impersonal, "business-like" relationship with their staff members.

13. Partners are often "too set in their ways."

14. CPAs should diligently read the standard professional journals (Journal of Accountancy, Accounting Review, and NAA Bulletin).

15. In a particular firm, the juniors' ideas about aspects of accounting were practically never given careful and thoughtful consideration by the seniors and partners even though these ideas may have included some excellent suggestions for the improvement of the profession.

16. An otherwise competent and well-liked CPA was not expected to advance too far in a firm because his wife was awkward in social situations and lacked an interest in community activities.

17. Although CPAs should be personally competent in accounting, it is not necessary for them to offer their colleagues intellectual stimulation.

18. Members of the firm (excluding secretarial) who do not show promise of becoming partners should be "forced out" as soon as possible.

19. CPA firms should be accredited in the areas of specialization they offer (e.g., taxes, auditing, management services).

20. There should be some CPA organization (e.g., Academy of Professional Accounting or the state boards of accounting) which would grant recognition to CPAs who had engaged in various advanced studies (beyond the type usually required to pass the CPA examination).

21. CPAs should seek to raise the level of required education to become a CPA.
22. When considering professional accounting associations which are primarily for practicing CPAs, a CPA believes that the returns to himself are always less than the time and money costs of membership.

23. An additional year devoted mostly to independent research should be added to the collegiate programs for CPAs.

24. The lower positions in the firm (e.g., juniors and seniors) should be told what to do and then supervised to see that they do it.

25. In deciding which "generally accepted accounting principles" apply to a client, firms should permit CPAs in the local office to make such decisions, even if they run counter to the firm's guidelines.

26. Written orders from higher up should be followed without question.

27. Nonpartners should feel they have the right to question the firm's professional procedures so long as they do it when they consider it to be the right time and place.

28. In a particular audit, a CPA wished to follow up a defect in the internal control of an accounting system. It probably would not have proved to be of material consequence on the financial statements, but the follow-up would have caused the time budget of the previous year to be exceeded. The CPA refrained from the investigation.

29. Final control over major professional policy decisions in CPA firms should be exercised by high-ranking partners.

30. CPAs as individuals should be able to make professional decisions just about as they please so long as they do not actually break the law or violate their professional Code of Ethics.

31. When several clients had a dispute with their CPA firm over a controversial accounting practice, the local office looked primarily to the home office for guidance in reaching a decision on the issue.
32. Partners in the local office should concentrate more on being specialists in efficient organizational administration rather than being specialists in particular accounting matters.

33. If a partner cannot sell an idea to his staff for a change in the rules and/or procedures of the firm, he should force them to try it.

34. After an extended discussion with a resident-partner, a nonpartner felt his ideas are better than the partner's and continued to hold these different opinions.

35. Formulating policies dealing with client complaints should be done exclusively by the chief resident-partner or someone even higher up in the firm.

36. While a partner may support a CPA publicly, he should privately reprimand any CPA in his firm who does not follow the firm's official rules and policies, even if the CPA feels he has good reason for his action.

37. Juniors and seniors should be asked to participate in the making of decisions about changes in the rules and procedures in the local office (e.g., time reports, arrangements for travel to clients).

38. Partners of the same firm have expressed contradictory viewpoints in the meeting of important organizations such as the Accounting Principles Board (APB).

39. What is best for accounting will increase the CPA's prestige with the users of (a client's) financial data.

40. Consider the following practice. A CPA does not do anything he believes that may jeopardize the legitimate interests of the users of his client's statements regardless of who tells him to or what a rule of the firm may state.

41. A major criterion of a good CPA is one who serves the needs of the users of (his client's) financial statements.
42. A CPA should be more concerned with the client's opinion (as opposed to the user's opinion) when it comes to content and presentation of financial statements.

### PART B

**ITEM ANALYSIS DATA**

**BUREAUCRATIC SCALE**

(N=264)

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APPENDIX V

Letter of Permission to Use the Bullock
Job Satisfaction Scale

(The Ohio State University
Letterhead)

Mr. James E. Sorensen
Department of Accounting
Campus

Dear Mr. Sorensen:

The Bureau of Business Research is happy to
grant you permission to use the Bullock Job Satis-
faction Scale in your research.

Sincerely,

Ralph M. Stogdill

RMS/e
APPENDIX VI

ITEM ANALYSIS FORMULA

This formula by Omar Goode\(^1\) is an improved version of Kuder—Richardson's formula number three:

\[
\begin{align*}
\hat{r}_T^2 & = \frac{\sum T_i^2 - \sum T_j^2 - \sum \frac{1}{N} \sum x_j^2 + \sum_{j=1}^{n} \left( r_{x_j y_j} \cdot \sigma_{x_j}^2 \right)}{\sum T_i^2 - \sum T_j^2} \\
& \text{where: } Y_j = T - X_j \\
& \sum T_i^2 = \text{total variance} \\
& \sum T_j^2 = \text{explained variance} \\
& X_j = \text{total of one individual item of scale} \\
& Y_j = \text{total remaining items in scale} \\
& (Y_j = T - X_j) \\
& r_{x_j y_j} = \text{correlation of an item (x}_j\text{) with total scale minus item x}_j\text{ contribution} \\
& \sum x_j^2 = \text{variance of one individual item of scale} \\
& \sum_{j=1}^{n} \sum x_j^2 - \sum_{j=1}^{n} (r_{x_j y_j} \cdot \sigma_{x_j}^2) = \text{estimate of unaccountable variance in total scale} \\
& n = \text{number of variables}
\end{align*}
\]

\(^1\text{Omar Goode, loc. cit.}\)
The following statements show some of the ways people feel about the work they do. In each item, please put a check mark in front of the statement which most accurately and honestly tells how you feel about your position.

1. Place a check mark in front of the statement which best tells how good a job you have:
   
   [ ] A. The job is an excellent one, very much above the average.
   [ ] B. The job is a fairly good one.
   [ ] C. The job is only average.
   [ ] D. The job is not as good as average in this kind of work.
   [ ] E. The job is a very poor one, very much below the average in this kind of work.

2. Place a check mark in front of the statement which best describes your feelings about your job:
   
   [ ] A. I am very happy and satisfied on this job.
   [ ] B. I am fairly well satisfied on this job.
   [ ] C. I am neither satisfied nor dissatisfied—it is just an average job.
   [ ] D. I am a little dissatisfied on this job.
   [ ] E. I am very dissatisfied and unhappy on this job.

3. Check one of the following which best describes any general conditions which affect the work or comfort on this job:
   
   [ ] A. General working conditions are very bad.
   [ ] B. General working conditions are poor—not so good as the average for this kind of job.
   [ ] C. General working conditions are about average—neither good nor bad.
D. In general, working conditions are good—better than average.
E. General working conditions are very good—much better than the average for this kind of job.

4. Place a check mark in front of the statement which best tells how good an organization you work for:
   A. It is an excellent organization to work for—one of the best.
   B. It is a good organization to work for but not one of the best.
   C. It is only an average organization to work for. Many others are just as good.
   D. It is a below average organization to work for. Many others are better.
   E. It is probably one of the poorest organizations to work for I know.

5. Place a check mark in front of the statement which best tells how your feelings compare with those of other people you know:
   A. I dislike my job much more than most people dislike theirs.
   B. I dislike my job more than most people dislike theirs.
   C. I like my job about as well as most people like theirs.
   D. I like my job better than most people like theirs.
   E. I like my job much better than most people like theirs.

6. Place a check mark in front of the statement which best tells how you feel about the work you do on your job:
   A. The work I do is very unpleasant. I dislike it.
   B. The work I do is not pleasant.
   C. The work is "just about average." I don't have any particular feeling about whether it is pleasant or not.
   D. The work is pleasant and enjoyable.
   E. The work is very enjoyable. I very much like to do the work called for on this job.
7. Check one of the following statements to show how much of the time you are satisfied with your job:

___ A. Most of the time.
___ B. A good deal of the time.
___ C. About half of the time.
___ D. Occasionally.
___ E. Seldom.

8. Check one of the following statements which best tells how you feel about changing your job:

___ A. I would quit this job if I had anything else to do.
___ B. I would take almost any other job in which I could earn as much as I do here.
___ C. This job is as good as the average and I would just as soon have it as any other job for the same money.
___ D. I am not eager to change jobs but would do so if I could make more money.
___ E. I do not want to change jobs even for more money because this is a good one.

9. Suppose you had a very good friend who is looking for a job in your line of work and you know of a vacancy in this organization for which your friend is well qualified. Would you:

___ A. Recommend this job as a good one to apply for.
___ B. Recommend this job but caution your friend about its shortcomings.
___ C. Tell your friend about the vacancy but not anything else, then let him decide whether to apply or not.
___ D. Tell your friend about the vacancy but suggest that he look for other vacancies elsewhere before applying.
___ E. Try to discourage your friend from applying by telling the bad things about the job.
10. On the line below, place a check mark to show how well-satisfied you are with this job. You may place your check mark anywhere on the line either above one the statements or between them.

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YOU HAVE COMPLETED PART THREE OF THREE PARTS.

PLEASE REVIEW PART THREE FOR OMISSIONS

THANK YOU FOR YOUR HELP IN MAKING THIS RESEARCH PROJECT SUCCESSFUL

PLEASE DO NOT SIGN YOUR NAME
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BIBLIOGRAPHY—Continued


BIBLIOGRAPHY—Continued


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