

Elmer G. Beamer and the American Institute of Certified Public Accountants: The Pursuit of a Cognitive Standard for the Accounting Profession

ME Persson, VS Radcliffe, M Stein

Accounting History, 2018

From technician to professional: How Elmer Beamer helped transform accounting education

A groundbreaking study reveals how Elmer G. Beamer, a pioneering accounting professional, played a crucial role in establishing modern educational standards for Certified Public Accountants (CPAs) in the United States. The research, published in *Accounting History*, details how Beamer's work in the 1950s-70s led to the implementation of the 150 college-credit-hour requirement and mandatory continuing education for CPAs that remain standard today.

Interestingly, the 150-hour rule is now under increasing attack by state legislatures, as they look to carve out new pathways to CPA licensure that sidestep that commitment. It comes at a time when the profession is facing a severe shortage of accountants, and fewer students are selecting accounting as a major. According to the Association of International Certified Professional Accountants, between 2012-2020, the number of U.S. students completing a bachelor's degree in accounting declined nine per cent. As well, the number of candidates sitting for the CPA exam dropped 33 per cent between 2016-2021. The 150-hour rule is seen by some as a barrier to entry. All of this comes at a time when the AICPA says that 75% of its membership has reached retirement age.

The Study

The research on Beamer, published in *Accounting History*, was conducted by Martin E. Persson, an assistant professor of accountancy at Gies College of Business in Champagne, Ill., and Vaughan S. Radcliffe, professor of managerial accounting and control, and Mitchell J. Stein, associate professor of managerial accounting and control, both of the Ivey Business School at Western University in London, Ont., draws on previously unpublished archival material from the Elmer G. Beamer Papers Collection at the University of Florida, containing over 500 items of personal correspondence, committee memorandums, and writings.

"The empirical evidence obtained from the archives at the University of Florida leaves no doubt that Beamer's role in the education requirements of CPAs was instrumental, and yet this contribution has gone largely unnoticed in the accounting literature," Persson writes in the study.

The research examines Beamer's activities at the American Institute of Certified Public Accountants (AICPA) during a transformative 30-year period beginning in the 1950s. As chairman of several key committees, Beamer helped establish new educational standards that fundamentally changed how accountants were trained and certified.

What makes Beamer's story particularly compelling is his own educational background. Despite rising to partner at Haskins & Sells (now Deloitte) with only a high school education, Beamer became one of the strongest advocates for higher education requirements in accounting.

The Results

The research reveals three major achievements that stemmed from Beamer's work:

- The establishment of the 150 college-credit-hour requirement for CPAs (equivalent to five years of university study).
- The mandate for yearly continuing professional education to maintain an active CPA license.
- The transformation of accounting education from vocational training to a scholarly pursuit.

Through his chairmanship of the Committee on the Common Body of Knowledge of CPAs, Beamer helped develop "*Horizons for a Profession*," a landmark 354-page report published in 1967 that redefined accounting education. The report called for broader training in general business, economics, humanities, law, and mathematics — moving beyond traditional technical accounting skills.

"The breadth of the required training simply made it impossible to fit in a regular 4-year bachelor degree (not to mention the 2-year associate degree as had been the case in some states)," Persson notes.

The Implications

The research suggests that Beamer's work fundamentally changed the accounting profession in the United States, helping to elevate it from a technical occupation to a learned profession on par with law and medicine.

"The cognitive commodity of accountancy is moved away from the hands of professionals in public practice into the hands of educators and university curricula, which are then standardized, reproduced, and taught to those wishing to enter the profession," Persson notes.

The study also points out how Beamer recognized early on that the "explosion of knowledge" would require continuous learning throughout an accountant's career. In a 1969 interim report on continuing education quoted in the study, Beamer wrote: "One of the most dramatic phenomena of our times is the explosion of knowledge. It is estimated that man's knowledge doubled between the years 1900 and 1950 and that it will double again by 1975. In the face of this phenomenon, accountants, like those in other kinds of activity, must continue to learn. Simply put, continuing education is the alternative to obsolescence."

These insights proved prescient, as continuing professional education is now a standard requirement for maintaining CPA licensure across the United States.

The research concludes that while Beamer did not single-handedly bring about these educational developments, he was "instrumental in bringing together the necessary conditions for change." His work

helped establish the professional education framework that continues to shape accounting education and practice today.

The study suggests that understanding this history is crucial for contemporary discussions about accounting education and professional standards, particularly as the profession faces new challenges from technological change and evolving business practices.

For more information, see the full paper.