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Happiness & Accounting/Finance Careers

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Happiness & Accounting/Finance Careers

Research Question

The research question I chose was “Do happiness levels vary among graduates with accounting majors who have chosen different career paths?”

Intended Audience

The intended audience for my paper is mainly first year and sophomore accounting/finance majors. I believe it could be beneficial for them as they are looking into potential career fields to know what the happiness levels are of these various fields. This paper could also be valuable for junior and senior accounting/finance majors that haven't decided which field they want to go into yet.

Existing Research

In terms of existing research, there were no studies that looked at happiness in different accounting/finance fields. However, there was a survey done on job satisfaction among public accountants. This was a survey done by Vault in 2013. The survey was completed by 8,000 public accountants. The survey had the public accountants rate their level of job satisfaction on a scale of 1 to 10, where 1 was very dissatisfied and 10 was very satisfied. The survey found that the average score was 8.11/10. This is up from the previous year average in 2012 of 7.93. 48% of respondents gave a 9 or a 10. Interestingly, only 3% of respondents gave a 1, 2, or 3 for a response (“The Dark Side of Accounting”). This survey showed that in general, public accountants are satisfied with their jobs. For me though, I don't want to just be satisfied with my job, I want to be happy. This is one of the reasons that I researched happiness levels rather than job satisfaction. Another reason I chose to research happiness was that I happened to be reading

a book in a psychology class called *The How of Happiness*, by Sonja Lyubomirsky. I thought it would be really interesting to compare happiness levels among graduates with accounting degrees because it was a unique study and am passionate about trying to be the happiest I can be.

Methods

The method I used to get my data was a survey. I got 70 responses back, but was only able to use 50, since some responses were incomplete or were from people who hadn't majored in accounting or finance. I asked questions such as:

- What is your gender?
- What is your age?
- Did you ever work in public accounting?
- How many hours per week do you work?

The bulk of my questions came from the Oxford Happiness Questionnaire. This is a set of 29 questions and is the most well-known test for happiness levels. It is scientifically reliable and valid. There were 23 females in my survey and 27 males. In terms of age, 57% of my survey was 30 years old or young, so that is something to keep in mind.

Results

I found that the average female happiness score was 4.71, while the average male happiness score was 4.73 (see table 1). I calculated an effect size on this, and on many of my results. Effect size is a quantitative way of showing how large of a difference there is. Basically it is a way of showing if something is material or not, to use accounting terminology. An effect size between .2 and .5 is considered small. Between .5 and .8 is considered a medium effect size. Lastly, if effect size is .8 or larger, that is a large effect size. The effect size I got for male/female differences was .04, therefore there is basically no effect size.

The next thing I looked at was comparing average number of hours worked per week with happiness scores (see table 2). I found that people who worked 40-45 hours per week had an average happiness score of 4.80 out of 6, whereas people who worked 51-70 hours a week had an average happiness score of 4.51/6. There was a medium effect size of .52. I also did a t-test on this to test the significance of these findings. With a t-test, you get a p value. If the p value is below .05, you typically can say that there is substantial evidence to suggest that the null hypothesis is incorrect. The null hypothesis says that there is no difference between what you are testing. The p value I got for this was .17, so it wasn't small enough to prove anything, but you can look at the numbers and decide for yourself.

Next I compared the different fields of jobs to see if there were differences among them (see table 3). I separated the job fields into three distinct groups. The first group was people who had never done public accounting. The second group was people who had started in public accounting and were still there. Lastly, the third group was people who had started in public accounting and left for a different field. What I found was that the happiest people were those who started in public accounting and then left for a different field; their average happiness score was 4.77. I got an effect size of .2 when I compared the 4.77 score to the 4.66 score; this is a small effect size. I did a t-test and got a p value of .56. Basically, the differences were too miniscule to conclude that there are significant differences in happiness levels among people who graduated with accounting/finance majors.

Overall, the average happiness score from my survey was 4.72/6 (see table 4). The average happiness score in the U.S. is only 4.30. I did a t-test for this and got a p value of .00. With this, I can say that there is substantial evidence to suggest that people who graduate with accounting/finance majors tend to be significantly happier than the average U.S. person. The

main thing to keep in mind with this finding though is that most of the people who took my survey are alumni of CSB/SJU, and also that I only had 50 respondents. However, I think this is very encouraging news for us accounting majors to know that we most likely will be happier than the average U.S. person.

In my survey, I asked respondents to provide advice on how we can maintain happiness throughout our careers as accounting/finance majors. I put together a top five list of the most common responses I received. Here they are:

- 5) Maintain a strong network
- 4) Have a positive attitude/be optimistic
- 3) Make time for what is important to you
- 2) Find something you love to do
- 1) Find a work-life balance that works for you

The last thing I looked at was whether money buys happiness (see graph 1). According to a 2010 study done by Princeton University, the lucky amount is \$75,000 (Luscombe). Once you hit \$75,000 of income a year for a family, you will not become any happier based off the money you earn. However, if you are well below this amount, you will be significantly less happy.

According to my survey, the happiest people were those who made less than \$60,000 annually; they had an average happiness score of 4.88/6. The least happy people were those who made between \$60,000 and \$80,000; their average happiness score was 4.60/6.

Limitations/Future Research

A limitation for my research was the number of respondents. It would have been nice to have received more responses. For further research, I think it would be interesting for someone to do a longitudinal study. This study would use the same people and evaluate how their

happiness levels change throughout the course of their careers. I think this would provide more accurate data than what I did, since it is the same people. I also think it would be interesting to see how graduate from other disciplines at colleges fare in terms of happiness levels once they are in their fields. For example, what are the happiness levels of people who graduated with a degree in English? It would be interesting to see what major provides the most long-term happiness.

Table 1:

| Gender | Average happiness score | # of participants in survey |
|---------------|--------------------------------|------------------------------------|
| Female | 4.71 | 23 |
| Male | 4.73 | 27 |

Table 2:

| Hours worked | Average happiness score | # of participants in survey |
|---------------------|--------------------------------|------------------------------------|
| 40-45 | 4.80/6.00 | 18 |
| 46-50 | 4.76/6.00 | 16 |
| 51-70 | 4.51/6.00 | 14 |

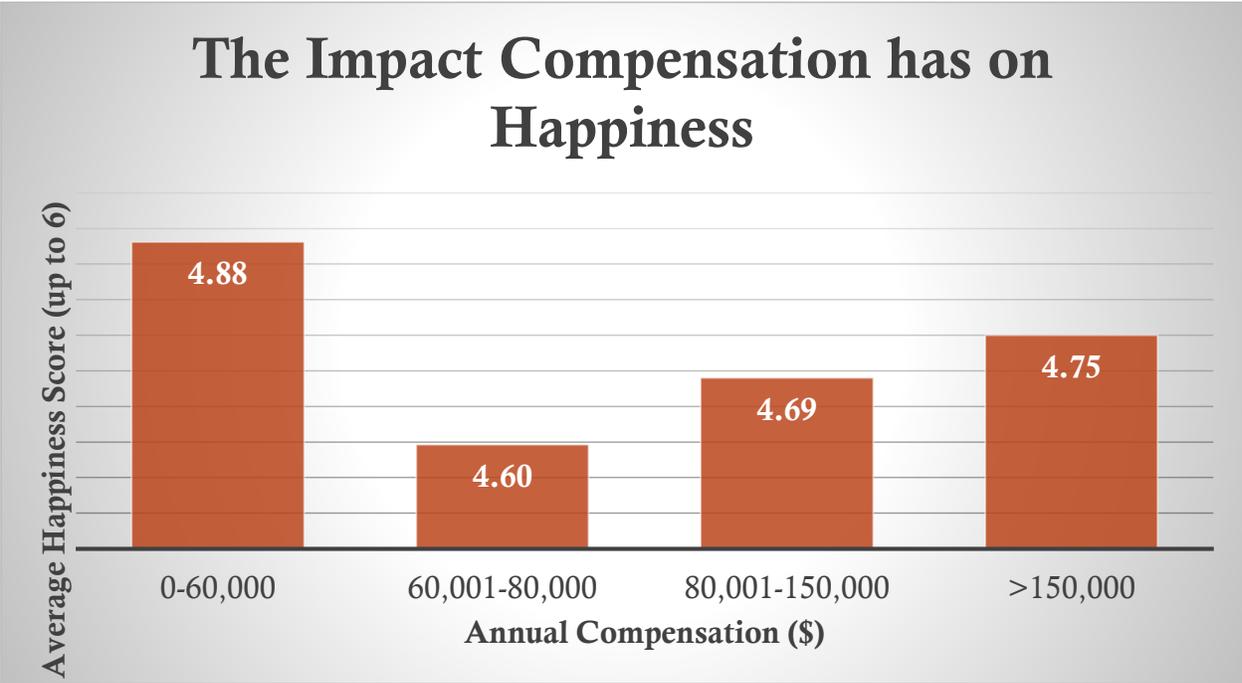
Table 3:

| | Average happiness score | # of participants in survey |
|----------------------|--------------------------------|------------------------------------|
| Never done public | 4.72/6.00 | 16 |
| Started, still there | 4.66/6.00 | 14 |
| Started, left | 4.77/6.00 | 20 |
| Everyone in survey | 4.72/6.00 | 50 |

Table 4:

| Average Happiness Score in U.S. | Average Happiness Score from my survey |
|--|---|
| 4.30 | 4.72 |

Graph 1:



Sources

Luscombe, Belinda. "Do We Need \$75,000 a Year to Be Happy?" Time. Time Inc., 06 Sept. 2010. Web. 06 May 2015.

"The Dark Side of Accounting." |Vault Blogs|Vault.com. N.p., n.d. Web. 06 May 2015.