

## What is the Value Proposition for a Broadly Defined Accounting Profession?<sup>1</sup>

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The term *profession* is anchored in the notion of a commitment to provide a broad common benefit to society at large. A profession operates under the terms of a social contract whereby the profession is granted a degree of latitude in the management of its affairs in exchange for a commitment to serve this broad *public interest*. Perhaps most important to the retention of a profession's status *as a profession* is its willingness to live up to the commitment it makes to society at large under the terms of its social contract, that the practice skills of its members will not be used *against* the public interest, but will in fact be used affirmatively *in support of* the public interest.

Thus, the value proposition of any profession, accounting included, rests squarely on the ability and willingness of the profession and its members to honor the commitments implicit in the profession's social contract, i.e., to serve this broad public interest. To the extent that a profession and its members live up to these commitments, the profession thrives and flourishes. Conversely, when a profession or its members fail to live up to these commitments, public confidence erodes and the profession's status as a profession is diminished.

The accounting profession's social contract encompasses a set of promises and commitments centering on the reliability of accounting information. Because reliable accounting information plays such a vital role within domestic and global economies – providing the common language necessary for informed participation by individuals and organizations and thereby enabling domestic and global markets to function, businesses to continuously improve, and societies to prosper – accounting information is both a domestic and global strategic resource. With an expectation of integrity and of expertise in all matters relating to the preparation and use of accounting information, accountants hold a variety of positions of trust in organizations across the private, public, and not-for-profit sectors; serve as trusted advisors to businesses, to government at all levels, and to society at large; and attest to the reliability of accounting information across all sectors of domestic and global economies.

In summary, the accounting profession's value proposition rests on the ability and willingness of its members to honor the terms of the profession's social contract, to serve the broad public interest associated with reliable accounting information. This value proposition integrates personal integrity and intelligence with a lifelong commitment to a highly developed base of technical knowledge and professional skills, that are applied with a deep sense of and commitment to the accounting profession's ethical standards and practices as well as its broad societal and economic purposes.

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<sup>1</sup> The immediate purpose of this statement is to inform the work of the Commission on Accounting Higher Education: Pathways to a Profession (the "Pathways Commission").