



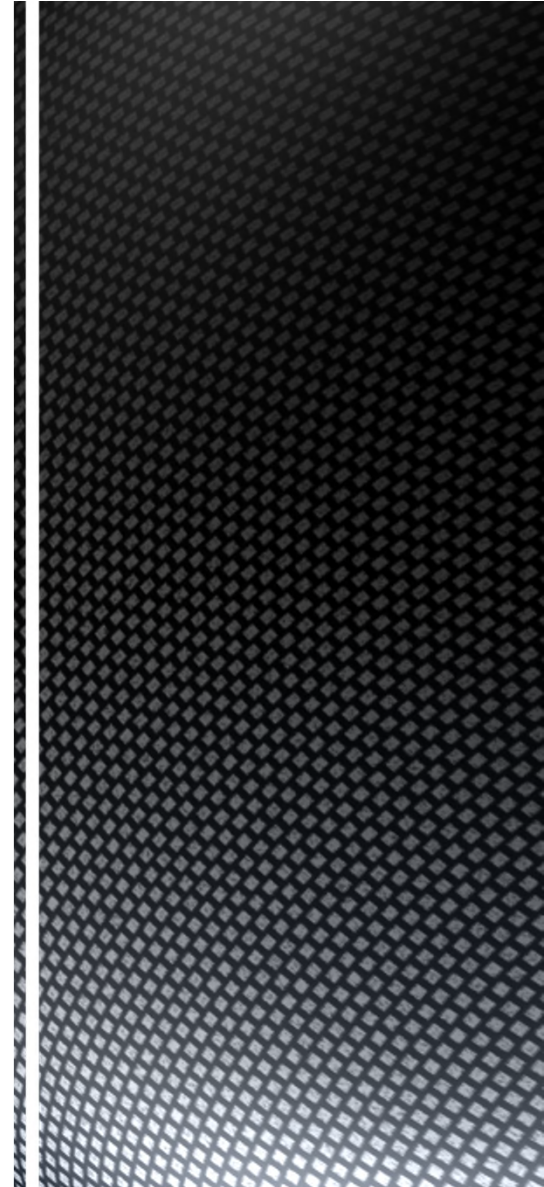
**WOLCOTTLYNCH**  
STEPS FOR BETTER THINKING



# Using the AICPA Critical Thinking Guide to Improve Your Students' Critical Thinking Skills

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*Agile Mindset*

JUDGMENT

Strategic Thinking

Data Analytics

Critical Thinking

COMMUNICATION

ESG

# Future of Accounting

CROSS-FUNCTIONAL COLLABORATION

TECHNOLOGY

Decision Making

ARTIFICIAL INTELLIGENCE

Teamwork

Value-Added

Susan Wolcott, SPARK Conference, June 3, 2024





How to help your  
students become  
better critical thinkers

# AICPA Faculty Guide



[https://www.thiswaytocpa.com/program/  
CriticalThinking](https://www.thiswaytocpa.com/program/CriticalThinking)

Also see:

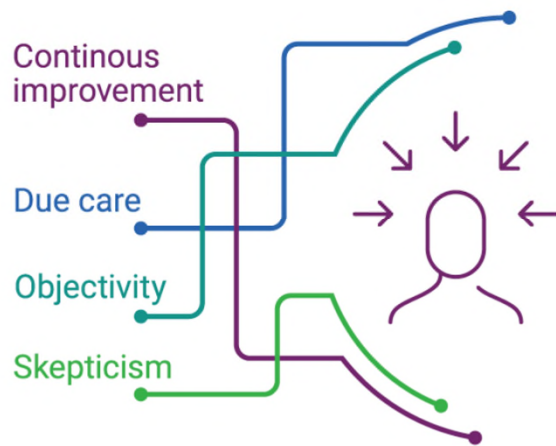
<https://wolcottlynch.com/aicpa-resources>

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# AICPA Faculty Guide (p. 6): Critical Thinking Model

## Mindset



01

### Identify

- Identify the main purpose plus embedded, subsidiary problem(s).
- Recognize open-ended/ambiguous problem(s).
- Identify relevant information for analysis (e.g., accounting knowledge, concepts, techniques, stakeholder(s) and goals/preferences).

02

### Analyze

- Apply and interpret relevant knowledge, concepts and techniques.
- Explore potential causes, stakeholder effects and interrelationships.
- Question the quality of information and assumptions.
- Summarize pros and cons of viable alternatives.

03

### Conclude

- Identify/develop appropriate decision criteria, and use the criteria to reach convincing conclusion(s).
- If appropriate, provide additional advice (e.g., identify implementation issues).

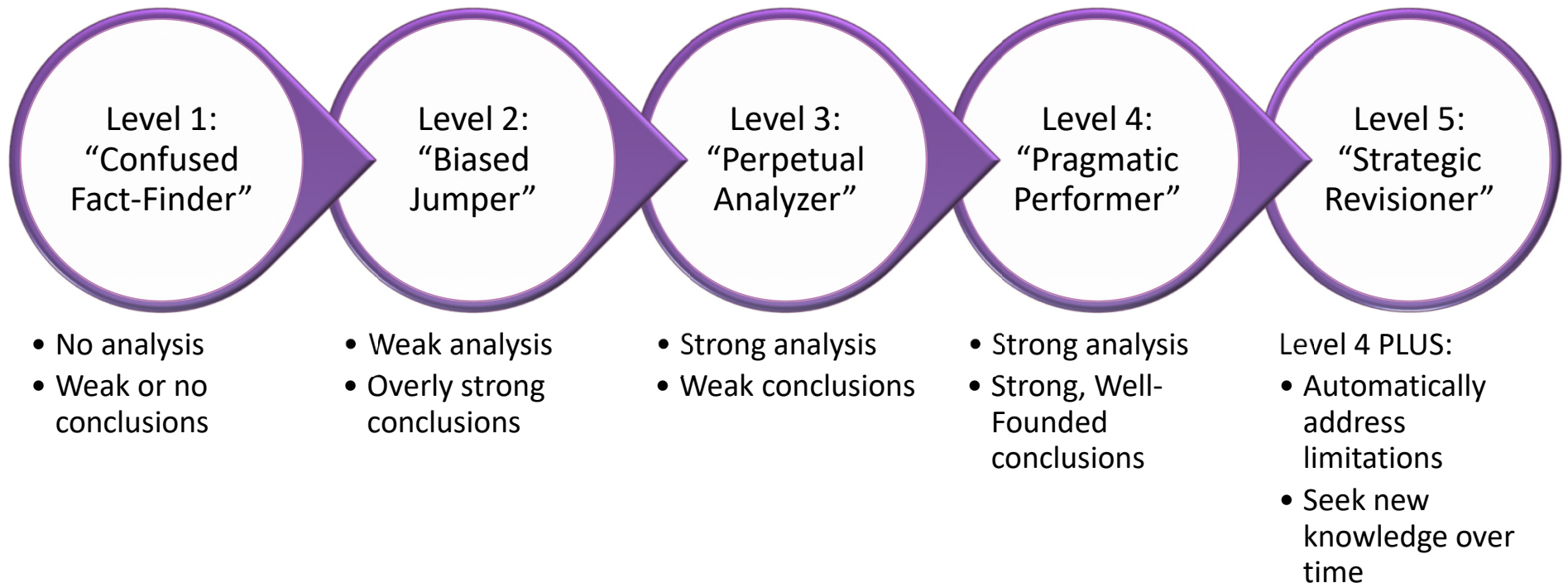
## Communications



# AICPA Faculty Guide (p. 36): Critical Thinking Skills Rubric

Component of Critical Thinking Model:	Level 1 Little/No Critical Thinking	Level 2 Partial Critical Thinking	Level 3 Emergent Critical Thinking	Level 4 Competent Critical Thinking
<b>Identify</b>	<ul style="list-style-type: none"> <li>Recites purpose as given, or</li> <li>Identifies an inappropriate problem</li> </ul>	<ul style="list-style-type: none"> <li>Identifies the clearly-evident problem</li> <li>Recognizes that the problem is open-ended/ambiguous</li> </ul>	<ul style="list-style-type: none"> <li>Identifies the main purpose</li> <li>Identifies relevant stakeholders and their possible goals/preferences</li> <li>Identifies relevant accounting knowledge, concepts and techniques</li> </ul>	In addition to Level 3: <ul style="list-style-type: none"> <li>Identifies important embedded, subsidiary problem(s)</li> </ul>
<b>Analyze</b>	<ul style="list-style-type: none"> <li>Applies calculations, definitions, or other “textbook” concepts</li> <li>Presents irrelevant information</li> <li>Misinterprets calculation(s) and/or concept(s)</li> </ul>	<ul style="list-style-type: none"> <li>Applies and describes the effects of relevant calculations and/or concepts</li> <li>Partially analyzes alternatives, focusing on information supporting own viewpoint</li> <li>Discounts other viewpoint(s)</li> </ul>	<ul style="list-style-type: none"> <li>Thoroughly and objectively applies and interprets relevant calculation(s) and concept(s)</li> <li>Explores causes, stakeholder effects and interrelationships</li> <li>Questions the quality of information and assumptions</li> <li>Thoroughly discusses the pros and cons of viable alternatives</li> </ul>	<ul style="list-style-type: none"> <li>Objectively analyzes the most important relevant information, implications, consequences and viewpoints</li> <li>Evaluates the quality of information and assumptions, and adapts interpretations (as needed)</li> <li>Summarizes the most important pros and cons of viable alternatives</li> </ul>
<b>Conclude</b>	<ul style="list-style-type: none"> <li>Instead of a conclusion, provides facts, definitions, or other “authoritative” statements</li> </ul>	<ul style="list-style-type: none"> <li>Reaches a biased conclusion that is consistent with own analyses</li> </ul>	<ul style="list-style-type: none"> <li>Reaches no conclusion, or</li> <li>Provides a conclusion with little or no justification</li> </ul>	<ul style="list-style-type: none"> <li>Identifies/develops appropriate criteria, and uses the criteria to reach convincing conclusion(s)</li> <li>If appropriate, provides value-added advice (e.g., identifies implementation issues)</li> </ul>

# Brief Summary of Critical Thinking Skills By Cognitive Level

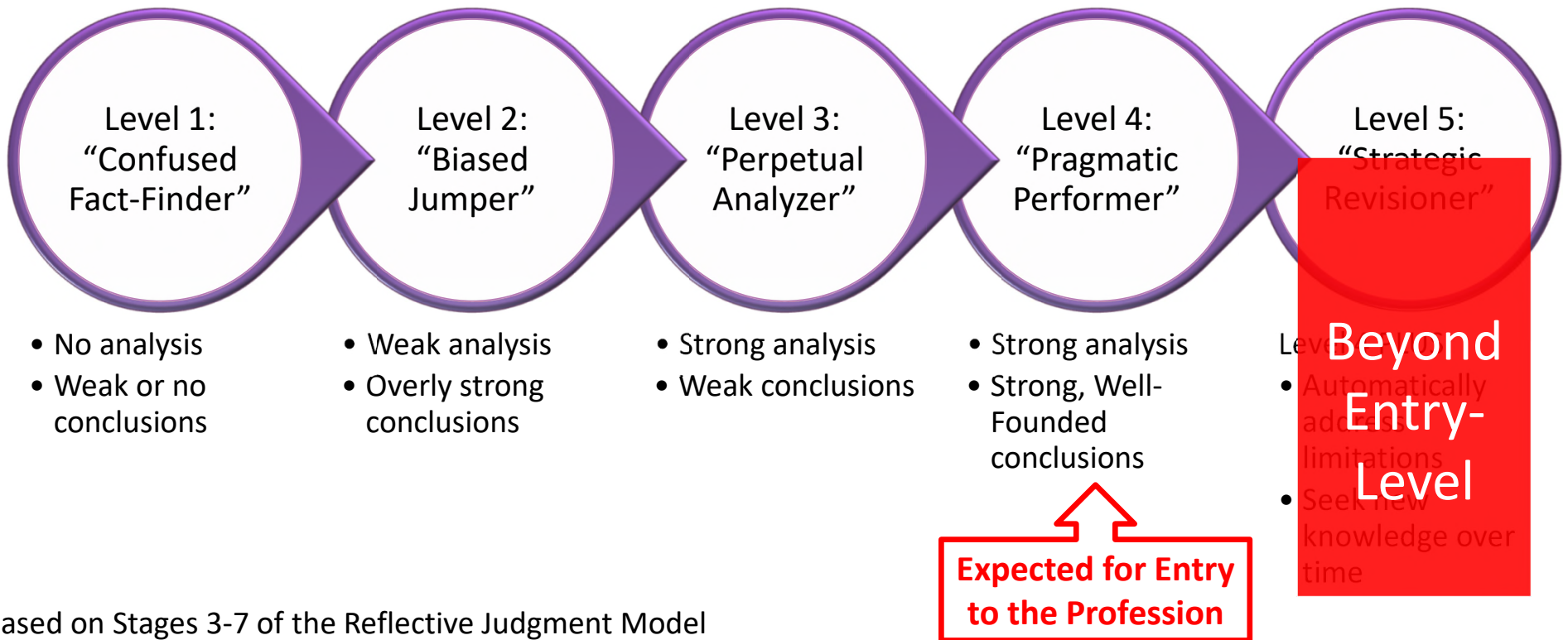


Based on Stages 3-7 of the Reflective Judgment Model

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# Brief Summary of Critical Thinking Skills By Cognitive Level



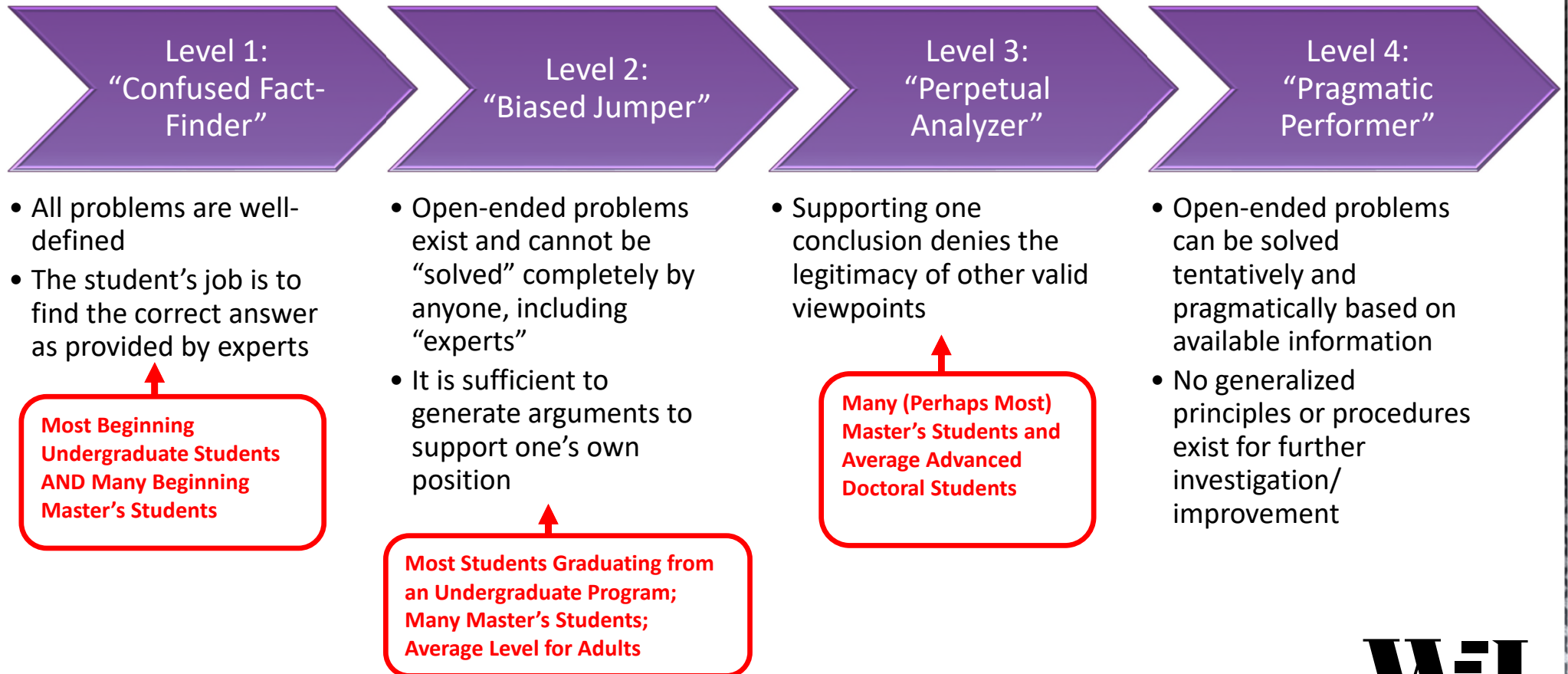
Based on Stages 3-7 of the Reflective Judgment Model

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# Students' Epistemological Assumptions and Typical Performance

Change in Beliefs is Necessary (But Not Sufficient) for Development to the Next Level



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# Summary of Learning Activities to Scaffold Development

Level 1  
Confused  
Fact-Finder



Level 2  
Biased  
Jumper



Level 3  
Perpetual  
Analyzer



Level 4  
Pragmatic  
Performer

## Scaffold 1→2

### Key Skills:

- Identify and describe uncertainties
- Read about conflicting opinions
- Identify open-ended problems (i.e., those having no single “correct” solution)
- List available information and identify which information is relevant for a given problem
- List potential issues, points of view, and solutions
- Form own opinion/thesis and use evidence/arguments to support it

## Scaffold 2→3

### Key Skills:

- Identify and attempt to control for own biases
- Identify stronger/weaker responses to an open-ended problem
- Identify and analyze for alternatives: pros/cons, advantages/disadvantages, strengths/weaknesses
- Discuss strengths and weaknesses of evidence
- Identify and analyze assumptions
- Explore different viewpoints/perspectives
- Compare and contrast theories/perspectives
- Organize information into meaningful categories

## Scaffold 3→4

### Key Skills:

- Identify most important issues, risks, or evidence
- Justify selection of assumptions
- Prioritize and clarify values used to judge across alternatives
- Establish plan for communication/implementation/action that adequately addresses concerns/needs of others

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# **EXAMPLE**

## Cognitive Levels and Learning Objectives

### Financial Statement Ratio Analysis

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# Level 4 (Entry-Level) Skills: Financial Statement Ratio Analysis

←Less Complex		More Complex →	
Content Knowledge	Identify	Analyze	Conclude
<ul style="list-style-type: none"> <li>Find formulas and calculate ratios</li> <li>Locate financial information used in ratio calculations</li> <li>Explain why higher/lower ratios are generally associated with greater: profitability, liquidity, stability, activity, etc.</li> <li>Describe the mechanical impact of accounting entries on ratio results</li> <li>Locate information for comparable companies/industry</li> <li>Recognize and adjust calculations for differences in ratio formulas from different sources</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible reasons for evaluating financial statement ratios</li> <li>Identify stakeholders who might be interested in ratio information</li> <li>Explain why ratios are not “perfect” measures of profitability, liquidity, stability, activity, etc.</li> <li>Explain why higher/lower ratios do not always indicate better/worse performance or higher/lower risk</li> <li>Identify factors that cause ratio values to differ across companies and across years for the same company</li> <li>Identify relevant information that might be useful for interpreting ratios including competitor/ industry ratios, accounting methods employed, and non-financial information</li> <li>Explain how it is possible for financial experts to reasonably disagree about the interpretation of a company’s ratios</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible business reasons for ratios to vary across companies and across years</li> <li>Identify possible strengths and weaknesses indicated by the time trend and/or competitor comparison of a company’s ratios</li> <li>Describe the pros and cons of using ratios to evaluate a company</li> <li>Explain how different stakeholders might view ratios differently</li> <li>Incorporate non-ratio information in the interpretation of ratios</li> <li>Adjust for and evaluate the impact of alternative accounting methods/ estimates on ratio interpretations</li> <li>Identify and evaluate the quality of assumptions underlying alternative interpretations of a company’s ratios</li> <li>Identify and compensate for own biases in ratio interpretation</li> </ul>	<ul style="list-style-type: none"> <li>Provide valid conclusion(s) based on analyses</li> <li>Prioritize the strengths and weaknesses of the company’s ratios and other data to reach conclusions about the company’s profitability, liquidity, stability, activity, etc.</li> <li>Describe limitations to a conclusion resulting from a ratio analysis about a company’s profitability, liquidity, stability, activity, etc.</li> </ul>

This list of skills is long and complicated! How can you prioritize skills to enhance student learning?



# Targeted Skills Level 1 → Level 2: Financial Statement Ratio Analysis

←Less Complex		More Complex →	
Content Knowledge	Identify	Analyze	Conclude
<ul style="list-style-type: none"> <li>Find formulas and calculate ratios</li> <li>Locate financial information used in ratio calculations</li> <li>Explain why higher/lower ratios are generally associated with greater: profitability, liquidity, stability, activity, etc.</li> <li>Describe the mechanical impact of accounting entries on ratio results</li> <li>Locate information for comparable companies/industry</li> <li>Recognize and adjust calculations for differences in ratio formulas from different sources</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible reasons for evaluating financial statement ratios</li> <li>Identify stakeholders who might be interested in ratio information</li> <li>Explain why ratios are not "perfect" measures of profitability, liquidity, stability, activity, etc.</li> <li>Explain why higher/lower ratios do not always indicate better/worse performance or higher/lower risk</li> <li>Identify factors that cause ratio values to differ across companies and across years for the same company</li> <li>Identify relevant information that might be useful for interpreting ratios including competitor/industry ratios, accounting methods employed, and non-financial information</li> <li>Explain how it is possible for financial experts to reasonably disagree about the interpretation of a company's ratios</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible business reasons for ratios to vary across companies and across years</li> <li>Identify possible strengths and weaknesses indicated by the time trend and/or competitor comparison of a company's ratios</li> <li>Describe the pros and cons of using ratios to evaluate a company</li> <li>Explain how different stakeholders might view ratios differently</li> <li>Incorporate non-ratio information in the interpretation of ratios</li> <li>Adjust for and evaluate the impact of alternative accounting methods/estimates on ratio interpretations</li> <li>Identify and evaluate the quality of assumptions underlying alternative interpretations of a company's ratios</li> <li>Identify and compensate for own biases in ratio interpretation</li> </ul>	<ul style="list-style-type: none"> <li>Provide valid conclusion(s) based on analyses</li> <li>Prioritize the strengths and weaknesses of the company's ratios and other data to reach conclusions about the company's profitability, liquidity, stability, activity, etc.</li> <li>Describe limitations to a conclusion resulting from a ratio analysis about a company's profitability, liquidity, stability, activity, etc.</li> </ul>

**Crossed-Out: Students at Level 1 are not yet capable for working on these skills**



# Targeted Skills Level 2 → Level 3: Financial Statement Ratio Analysis

←Less Complex		More Complex →	
Content Knowledge	Identify	Analyze	Conclude
<ul style="list-style-type: none"> <li>Find formulas and calculate ratios</li> <li>Locate financial information used in ratio calculations</li> <li>Explain why higher/lower ratios are generally associated with greater: profitability, liquidity, stability, activity, etc.</li> <li>Describe the mechanical impact of accounting entries on ratio results</li> <li>Locate information for comparable companies/industry</li> <li>Recognize and adjust calculations for differences in ratio formulas from different sources</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible reasons for evaluating financial statement ratios</li> <li>Identify stakeholders who might be interested in ratio information</li> <li>Explain why ratios are not “perfect” measures of profitability, liquidity, stability, activity, etc.</li> <li>Explain why higher/lower ratios do not always indicate better/worse performance or higher/lower risk</li> <li>Identify factors that cause ratio values to differ across companies and across years for the same company</li> <li>Identify relevant information that might be useful for interpreting ratios including competitor/ industry ratios, accounting methods employed, and non-financial information</li> <li>Explain how it is possible for financial experts to reasonably disagree about the interpretation of a company’s ratios</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible business reasons for ratios to vary across companies and across years</li> <li>Identify possible strengths and weaknesses indicated by the time trend and/or competitor comparison of a company’s ratios</li> <li>Describe the pros and cons of using ratios to evaluate a company</li> <li>Explain how different stakeholders might view ratios differently</li> <li>Incorporate non-ratio information in the interpretation of ratios</li> <li>Adjust for and evaluate the impact of alternative accounting methods/ estimates on ratio interpretations</li> <li>Identify and evaluate the quality of assumptions underlying alternative interpretations of a company’s ratios</li> <li>Identify and compensate for own biases in ratio interpretation</li> </ul>	<ul style="list-style-type: none"> <li>Provide valid conclusion(s) based on analyses</li> <li>Prioritize the strengths and weaknesses of the company’s ratios and other data to reach conclusions about the company’s profitability, liquidity, stability, activity, etc.</li> <li>Describe limitations to a conclusion resulting from a ratio analysis about a company’s profitability, liquidity, stability, activity, etc.</li> </ul>

**Highlighted:** Most important new skills. **Crossed-Out:** Students at Level 2 are not yet capable for working on these skills



# Targeted Skills Level 3 → Level 4: Financial Statement Ratio Analysis

←Less Complex		More Complex →	
Content Knowledge	Identify	Analyze	Conclude
<ul style="list-style-type: none"> <li>Find formulas and calculate ratios</li> <li>Locate financial information used in ratio calculations</li> <li>Explain why higher/lower ratios are generally associated with greater: profitability, liquidity, stability, activity, etc.</li> <li>Describe the mechanical impact of accounting entries on ratio results</li> <li>Locate information for comparable companies/industry</li> <li>Recognize and adjust calculations for differences in ratio formulas from different sources</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible reasons for evaluating financial statement ratios</li> <li>Identify stakeholders who might be interested in ratio information</li> <li>Explain why ratios are not “perfect” measures of profitability, liquidity, stability, activity, etc.</li> <li>Explain why higher/lower ratios do not always indicate better/worse performance or higher/lower risk</li> <li>Identify factors that cause ratio values to differ across companies and across years for the same company</li> <li>Identify relevant information that might be useful for interpreting ratios including competitor/ industry ratios, accounting methods employed, and non-financial information</li> <li>Explain how it is possible for financial experts to reasonably disagree about the interpretation of a company’s ratios</li> </ul>	<ul style="list-style-type: none"> <li>Identify possible business reasons for ratios to vary across companies and across years</li> <li>Identify possible strengths and weaknesses indicated by the time trend and/or competitor comparison of a company’s ratios</li> <li>Describe the pros and cons of using ratios to evaluate a company</li> <li>Explain how different stakeholders might view ratios differently</li> <li>Incorporate non-ratio information in the interpretation of ratios</li> <li>Adjust for and evaluate the impact of alternative accounting methods/ estimates on ratio interpretations</li> <li>Identify and evaluate the quality of assumptions underlying alternative interpretations of a company’s ratios</li> <li>Identify and compensate for own biases in ratio interpretation</li> </ul>	<ul style="list-style-type: none"> <li>Provide valid conclusion(s) based on analyses</li> <li>Prioritize the strengths and weaknesses of the company’s ratios and other data to reach conclusions about the company’s profitability, liquidity, stability, activity, etc.</li> <li>Describe limitations to a conclusion resulting from a ratio analysis about a company’s profitability, liquidity, stability, activity, etc.</li> </ul>

**Highlighted: Most important new skills.**





Pick One Topic  
from Your Subject  
and Try the  
Preceding Type of  
Analysis

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# **EXAMPLE**

## Cognitive Levels and Assignment/ Discussion Questions

### Data Analytics

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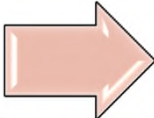




# Examples of Data Analytics Assignment/Discussion Questions

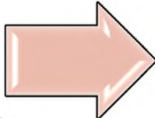
## Level 1 → 2 Uncertainties

- Are all data relevant and credible?
- Is there only one way to extract, profile, clean, restructure, and integrate data?
- Is only one data structure “correct”?
- Is only one data report format “correct”?



## Level 2 → 3 Pros and Cons

- Discuss arguments for/against the relevance and credibility of data
- Evaluate the costs and benefits of different methods/approaches to data analysis
- Discuss strengths and weaknesses of a data model and/or data report format
- Provide alternative interpretations of data



## Level 3 → 4 Situational Priorities

- Determine whether data are sufficiently relevant and/or credible
- Use cost-benefit analysis to choose methods/ approaches to data cleaning
- Use situational priorities to choose a data model and/or report format
- Draw conclusions from interpretations of data

**Level 2:** Progress to Level 3 is slow and unstable, with many reversions → Most students graduate at Level 2

**Level 3:** Progress to Level 4 is fast once students learn to prioritize





# EXAMPLE

## Modifying a Well-Defined Textbook Problem

### Cost Accounting

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# Tennant Vintage Trucks

Tennant Vintage Trucks produces and sells to retailers a line of 25 collectible metal toy trucks that are vintage truck replicas. Sales have deteriorated during the economic recession resulting in negative cash flows, and the company's managers are seeking ways to increase sales. One proposal is to launch a series of limited-edition trucks to increase sales to collectors.

The first limited edition would consist of 200 Ready Red classic fire trucks for a wholesale price of \$150 each. Manufacturing costs per unit are as follows:

Direct materials	\$25
Direct labor	45
Variable overhead	20
Fixed overhead	65

The per-unit costs include variable overhead licensing fees of \$13 for use of the Ready Red name. Fixed overhead includes \$55 per unit for truck design, manufacturing specifications, and customized die-cast molds. Traditionally, the company has used each die-cast mold set to manufacture only one product.

## Required: (Typical Well-Defined Textbook Problem)

Should the company launch the limited edition of Ready Red trucks?  
Provide appropriate calculations and explain your answer.



▪ **Promote Level 2 Thinking:** *For each component of your calculations, identify and briefly explain at least one reason why actual results might differ from the estimate.*

▪ **Promote Level 3 Thinking:** The company is in a small town and views employees as part of the “family.” Accordingly, the company has a no-layoff policy and guarantees production workers a fixed work schedule. The production manager estimates that the 200 Ready Red trucks can be produced using currently idle labor. However, the production manager warns that direct labor could increase to \$66 per unit (including overtime) if demand increases for existing products. *Discuss whether direct labor costs are relevant for this decision.*

▪ **Promote Level 3 Thinking:** Based on the advice of five long-time customers, the marketing manager established an initial wholesale price of \$150. These five customers also made preliminary commitments to purchase 50 limited-edition Ready Red trucks. The marketing manager is confident that the remaining 150 trucks can be sold easily. *Discuss the reasons for and implications of possible bias in setting the wholesale price for Ready Red.*

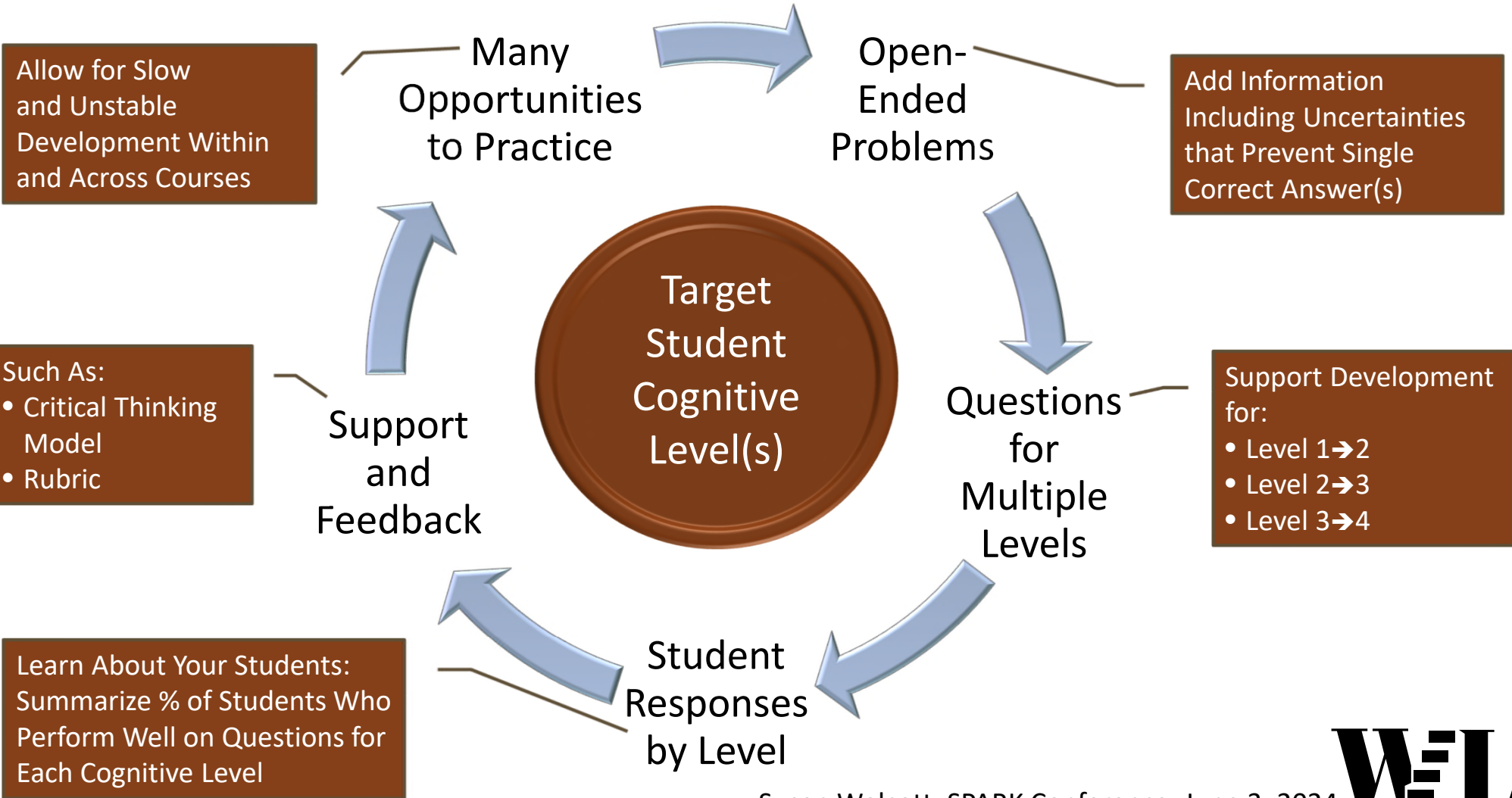
▪ **Promote Level 4 Thinking:** Company managers believe that vintage truck replicas are more important to the company’s customer-oriented strategy than the company’s existing lines of metal toy trucks. *Discuss whether/how this information affects the decision criteria in the Ready Red decision.*

## Tenant Vintage Trucks: Additional Information and *Open-Ended Questions*

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# Design Assignments for Critical Thinking



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# QUICK UNCERTAINTIES ASSESSMENT



During the last 5 minutes of a class session, ask students to write one paragraph about why something in that day's content is uncertain. Collect and read the responses (see next slide).

## Examples:

- Describe uncertainties concerning \_\_\_\_\_
- List and describe uncertainties about the interpretation or significance of \_\_\_\_\_
- Explain why risk is associated with \_\_\_\_\_ (e.g., a business decision)
- Describe why there is no single, “correct” way to \_\_\_\_\_
- Explain reasons why \_\_\_\_\_ might change or vary (e.g., over time or across companies)
- Is it possible for managers to know with certainty whether \_\_\_\_\_

# USING THE UNCERTAINTIES ASSESSMENT

## Sort Student Responses Into 3 Categories and Calculate Percentages:

- Level 1: Does not seem to understand the question and/or uncertainties
- Level 2: Provides 1 or 2 valid ideas
- Level 3+: Provides a reasonably comprehensive response

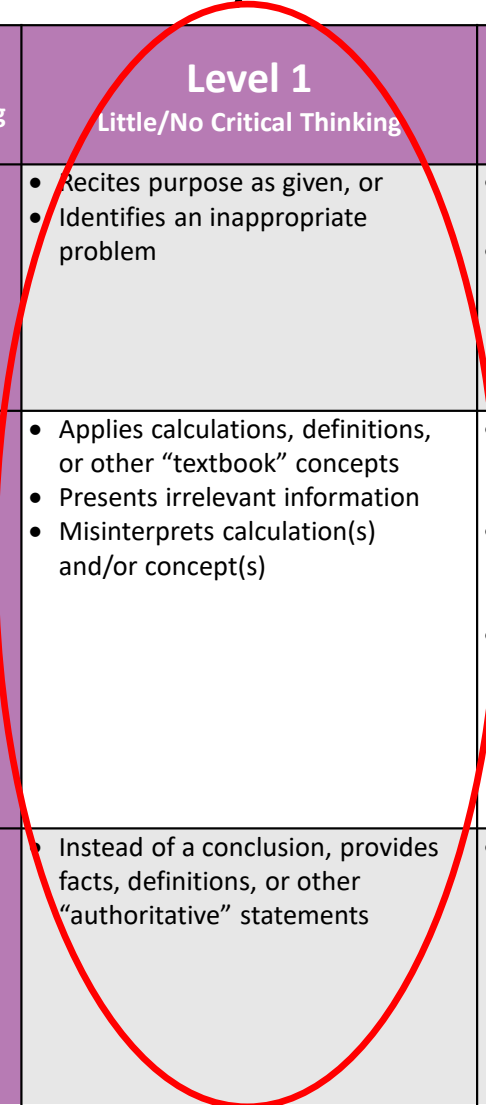
## Questions I Have Asked My Students:

- **Introductory Financial Accounting** (in addition to other questions about a small company's allowance for bad debts). Explain why even the manager of the company might not know for sure what the allowance for bad debts should be.
- **Intermediate Financial Accounting** (given short case involving an SEC inquiry). Explain why application of the segment reporting rules is uncertain for this company.
- **Cost Accounting** (given short case requiring use of cost information). Identify uncertainties in the cost information collected by Janet and:
  - a. Determine whether each cost is likely to be: (i) known for sure, (ii) estimated with little uncertainty, or (iii) estimated with moderate or high uncertainty.
  - b. For each cost that is known for sure, explain where Janet would obtain the information.
  - c. For each cost that must be estimated, explain why the cost can't be known for sure.
- **Strategic Performance Management** (given short case about a company's use of a balanced scorecard). Explain why uncertainties exist about the best balanced scorecard measures for Frieda's Fizz.

# AICPA Faculty Guide (p. 36): Critical Thinking Skills Rubric

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<b>Analyze</b>	<ul style="list-style-type: none"> <li>Applies calculations, definitions, or other "textbook" concepts</li> <li>Presents irrelevant information</li> <li>Misinterprets calculation(s) and/or concept(s)</li> </ul>	<ul style="list-style-type: none"> <li>Applies and describes of</li> <li>Focuses on information supporting own view</li> <li>Discounts other view</li> </ul>	<ul style="list-style-type: none"> <li>Identifies relevant information</li> <li>Identifies relationships</li> <li>Identifies pros and cons</li> </ul>	<ul style="list-style-type: none"> <li>Objectively analyzes the most important relevant information, implications, consequences and viewpoints</li> <li>Evaluates the quality of information and assumptions, and adapts interpretations (as needed)</li> <li>Summarizes the most important pros and cons of viable alternatives</li> </ul>
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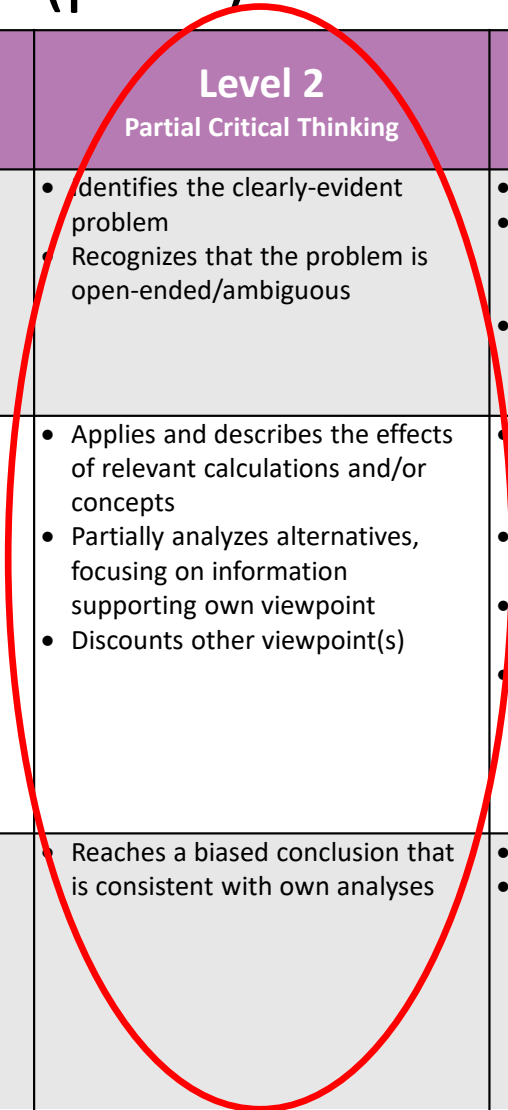
**Typical Introductory Accounting Student**



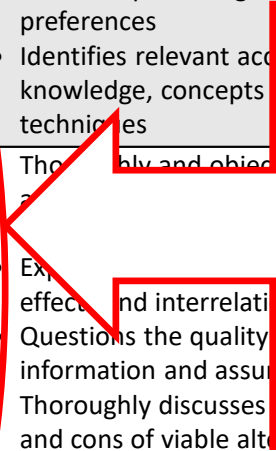


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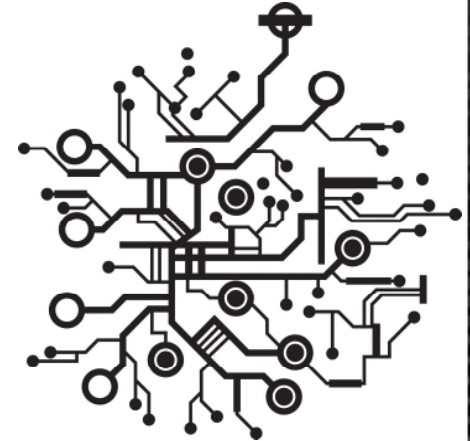
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<b>Identify</b>	<ul style="list-style-type: none"> <li>Recites purpose as given, or</li> <li>Identifies an inappropriate problem</li> </ul>	<ul style="list-style-type: none"> <li>Identifies the clearly-evident problem</li> <li>Recognizes that the problem is open-ended/ambiguous</li> </ul>	<ul style="list-style-type: none"> <li>Identifies the main purpose</li> <li>Identifies relevant stakeholders and their possible goals/preferences</li> <li>Identifies relevant accounting knowledge, concepts and techniques</li> </ul>	In addition to Level 3: <ul style="list-style-type: none"> <li>Identifies important embedded, subsidiary problem(s)</li> </ul>
<b>Analyze</b>	<ul style="list-style-type: none"> <li>Applies calculations, definitions, or other "textbook" concepts</li> <li>Presents irrelevant information</li> <li>Misinterprets calculation(s) and/or concept(s)</li> </ul>	<ul style="list-style-type: none"> <li>Applies and describes the effects of relevant calculations and/or concepts</li> <li>Partially analyzes alternatives, focusing on information supporting own viewpoint</li> <li>Discounts other viewpoint(s)</li> </ul>	<ul style="list-style-type: none"> <li>Thoroughly and objectively analyzes the situation, most information, and</li> <li>Explores the effects and interrelationships of various alternatives, as</li> <li>Questions the quality of information and assumptions (as</li> <li>Thoroughly discusses the pros and cons of viable alternatives</li> </ul>	important
<b>Conclude</b>	<ul style="list-style-type: none"> <li>Instead of a conclusion, provides facts, definitions, or other "authoritative" statements</li> </ul>	<ul style="list-style-type: none"> <li>Reaches a biased conclusion that is consistent with own analyses</li> </ul>	<ul style="list-style-type: none"> <li>Reaches no conclusion, or</li> <li>Provides a conclusion with little or no justification</li> </ul>	<ul style="list-style-type: none"> <li>Identifies/develops appropriate criteria, and uses the criteria to reach convincing conclusion(s)</li> <li>If appropriate, provides value-added advice (e.g., identifies implementation issues)</li> </ul>



**Typical Student in Advanced Accounting**



# Challenge Your Students—But Don't Overwhelm Them!



Component of Pathways Vision Model:	Appropriate Amount of Complexity for Students Operating At:		
	Level 1 Little/no critical thinking	Level 2 Partial critical thinking	Level 3 Emergent critical thinking
Good Decisions	<ul style="list-style-type: none"> <li>Few stakeholders and uncomplicated decisions</li> </ul>	<ul style="list-style-type: none"> <li>Multiple stakeholders and decisions involving multiple factors</li> </ul>	<ul style="list-style-type: none"> <li>Many stakeholders with divergent interests and complex decisions</li> </ul>
Useful Information	<ul style="list-style-type: none"> <li>Information is either useful or not useful (i.e., relevant or irrelevant)</li> </ul>	<ul style="list-style-type: none"> <li>Questions exist about the degree of information usefulness</li> </ul>	<ul style="list-style-type: none"> <li>Many questions exist about information usefulness</li> </ul>
Accounting Judgments	<ul style="list-style-type: none"> <li>Few accounting judgments</li> </ul>	<ul style="list-style-type: none"> <li>Several accounting judgments</li> </ul>	<ul style="list-style-type: none"> <li>Many accounting judgments</li> </ul>
Shades of Gray	<ul style="list-style-type: none"> <li>Few sources of uncertainty</li> </ul>	<ul style="list-style-type: none"> <li>Multiple sources and degrees of uncertainty</li> </ul>	<ul style="list-style-type: none"> <li>Many sources and degrees of uncertainty</li> </ul>
Economic Activities	<ul style="list-style-type: none"> <li>Straightforward, easily understood events and circumstances</li> </ul>	<ul style="list-style-type: none"> <li>Moderate scope and interaction of events and circumstances</li> </ul>	<ul style="list-style-type: none"> <li>Realistic scope of activities that may be highly complex</li> </ul>
Consequences	<ul style="list-style-type: none"> <li>Few consequences with clear-cut cause and effect relationships</li> </ul>	<ul style="list-style-type: none"> <li>Some uncertain cause and effect relationships</li> </ul>	<ul style="list-style-type: none"> <li>Many complex and uncertain cause and effect relationships</li> </ul>

Susan Wolcott, SPARK Conference, June 3, 2024



Final Word: Focus on Critical Thinking to  
Create the Future of Accounting!!



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# Additional Questions/ Discussion

Access Resources for This Session on My Website  
([www.WolcottLynch.com](http://www.WolcottLynch.com)):



See these tabs:

- AICPA Resources
- AAA Spark 2024
  - These slides
  - Additional critical thinking resources, including references to underlying literature and more course examples

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