REFRAMING FACULTY DEVELOPMENT: THE F.A.I.R. MODEL FOR AI INTEGRATION IN ACCOUNTING AND HR EDUCATION

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Abstract

The use of Artificial Intelligence (AI) in higher education is reshaping teaching, especially in vocationally focused fields like accounting and human resources (HR). But, little is known about the readiness of faculty readiness to adopt and apply AI. This chapter explores existing faculty development models, highlights significant issues within these models, and poses a framework to support educators of accounting and HR educators to integrate AI into their teaching. The argument is based on existing literature, professional standards, and the unique educational requirements for these disciplines. The chapter concludes with an actionable approach, the F.A.I.R. Framework, to promote AI literacy, ethical awareness and reflective practices in the teaching of AI-augmented content.

Keywords: *Faculty development, AI in education, Accounting pedagogy, HR management, AI ethics in teaching, Professional readiness framework*

Introduction

The fast growth of Artificial Intelligence, AI, is disrupting industries around the world, including accounting and human resources. Given the ways in which AI is changing the nature of work, both of routine tasks as well as increasingly sophisticated tasks, it has never been more imperative for higher educational institutions to reinvent how they approach teaching. Students should graduate with not only the ability to deploy AI but also the capacity to reflect on its meaning, power, limitations, etc. At the heart of this transition is one important player, the faculty itself, (Brynjolfsson & McAfee, 2017).

Despite substantial resources having been funneled into digital infrastructure and AI technologies, a crucial bottleneck lies in the willingness and comfort level of faculty, particularly in non-STEM departments, to meaningfully incorporate AI in the classroom. This is especially pressing in fields like accounting and HR, where intelligent technologies are rapidly transforming professional practice (Issa et al, 2016; Leicht-Deobald et al, 2019). This chapter sets out to:

a. Assess faculty preparedness to integrate AI into accounting and HR education.
b. Critique the current models of professional development.
c. Propose —F.A.I.R.— framework to build sustainable AI teaching capacity.

The AI Disruption in Professional Education
AI in Accounting

AI is transforming accounting by taking over data entries, fraud detection, risk management, and even some financial forecasting. The use of big data in auditing to scan significant amounts of transactions for exceptions and improve audits is being advanced by machine learning algorithms (Issa, Sun, & Vasarhelyi, 2016). These shifts are taking place in international accounting standards and institutions, which means that the pedagogical responses mentioned here are applicable internationally. Faculty must, then, transition from teaching students how to use tools to "fostering students' interpretive and analytical reasoning in AI-enhanced environments".

AI in Human Resource Management

The same is happening with Human Resource Management (HRM). AI is broadly utilized for things like screening candidates, employee surveillance, talent analytics, and performance reviews to name a few. Because these are global activities of HR, the adoption of AI is a global question that does not necessarily correlate with the educational system of a region (Leicht-Deobald et al., 2019). HR academics now have an obligation to educate students on the ethical and practical minefields of algorithmic decision-making related to issues of fairness, transparency and accountability.

Implications for Faculty

Moving forward from an instructional perspective with AI integration necessitates not only technical upskilling but a more profound reconfiguration of the faculties' mindsets. Teachers must be AI literate, able to discern and critique the ethical implications of automation, and adept at guiding classroom conversations regarding provocative ideas. These require a re-thinking of faculty professional development that is specific to their discipline, as well as forward-thinking.

Literature Review: Faculty Readiness and Professional Development
General Faculty Development for Educational Technology

The challenges associated with the adoption of technology in education have been known for many years. First-order barriers include problems with time, access, and training while second-order barriers include beliefs about technology and pedagogical philosophies (Ertmer and Ottenbreit-Leftwich, 2010). The latter is less amenable to adaptation in many regards, particularly in AI cases. Educators are fearful that they will be replaced by machines, or feel they cannot properly teach in a world with AI. Addressing these barriers will require also change in culture and cognition as well as training.

Faculty and AI-Specific Training

Despite the growing popularity of AI tools in education, faculty development programs tend to be platform-based and minimal. HolonIQ (2022) who has charted the global EdTech space, reports that while AI in education is one of the fastest growing niches, existing

investments are oriented more toward applications with a focus on the student (e.g., adaptive learning platforms) than the faculty-centered development. The imbalanced dynamic renders educators ill-equipped to use these tools in pedagogically appropriate ways.

Gaps in Accounting and HR Contexts

The review of AI in higher education by Zawacki-Richter et al. (2019) finds "the concerning fact that few of the studies involve educators directly or deal with the pedagogy of specific disciplines". Also, from an accounting perspective, very little is provided to prepare students to understand the results of audits that are conducted with the assistance of AI. Within HR, faculty are not sufficiently prepared to tackle ethical questions posed by AI hiring. It is thus in danger of becoming disconnected from the professions and ethical expectations if not contextualized.

Methodology and Analytical Approach

A narrative review approach that is consistent with educational book chapters that seek to integrate theory, policy and practice was done to provide an overview of the present state of AI in the accounting and HR education fields specifically in regards to preparedness and training of faculty.

Literature search included Google Scholar, Scopus and ERIC databases primarily peer-reviewed journal articles, conceptual papers and international reports from 2010-2024. Key terms were "AI higher education," "faculty development artificial intelligence," "AI pedagogy accounting," "AI ethics HR," and "AI professional development."

Inclusion criteria consisted of investigations that fell into one or more of the following four categories: faculty technology adoption and AI; ethical or pedagogical approaches to integrating AI; discipline-specific issues with AI; and institutional approaches to technology-enabled education. Literature was thematically analyzed across three central themes:

1. Barriers and enablers of AI readiness among faculty
2. Disciplinary and ethical dimensions of AI pedagogy in business education
3. Gaps and opportunities for structured, scalable training frameworks

It served as the evidentiary basis for key arguments in the chapter and the development of F.A.I.R. framework.

Key Findings: Gaps and Emerging Needs
Disciplinary Blindness

Professional development, but, is generic and focuses on digital skills rather than the epistemological distinctions between fields. For instance, accounting educators need to educate in regard to AI-supported financial modeling, and educators in HR are dealing with bias by algorithm in hiring processes. Without this specialized content, faculty participation is limited to "the surface".

Overemphasis on Tools

Several of the development sessions show technology (such as ChatGPT, Tableau, or LinkedIn Recruiter) but do not make a connection between how to use them with learning or assessment. This culture of use rather than critique continues and faculty have little to no expertise in converting the possibilities of AI use into pedagogical approaches.

Neglect of Ethical Dimensions

The use of AI brings up challenging moral dilemmas in particular in fields most directly related to human life. But, data justice, explainability, or responsible algorithmic decision-making are not common modules within training programs. HR systems that are optimized for "efficiency" are one example where workplace discrimination can be perpetuated within an organization (Leicht-Deobald et al., 2019). Educators need to be prepared to bring these conversations forth and direct them.

Proposed Framework for Faculty Readiness in Accounting and HR
Overview of the F.A.I.R. Model

We suggest a **F.A.I.R.** Framework for AI Pedagogical Readiness:

- **F**oundational AI Literacy
- **A**pplication to Pedagogical Practice
- **I**ntegration with Discipline-Specific Ethics
- **R**eflection and Iterative Feedback

Foundational AI Literacy

Basic AI concepts such as machine learning, natural language processing, and neural networks should be introduced to faculty. More importantly, they need to know how these technologies play a role in the day-to-day of their profession, such as audit automation or AI-driven HR dashboards.

Application to Pedagogical Practice

Training should be more than tools. Faculty should be supported in creating contextualized AI assignments, cases, and simulations. For instance, accounting educators could structure a project in which students respond to an AI audit algorithm's output.

Integration with Discipline-Specific Ethics

Ethics training in alignment with the discipline is important. Faculty should discuss hypothetical situations such as "AI deciding who to hire or focusing solely on financial red flags". Sessions will also assist educators in designing assessments that are ethical and regulatory aware.

Reflection and Iterative Feedback

Improvement should be a continuous process that includes faculty learning communities, mentorship circles and peer-review processes within these trainings. One

example is an experiment with the F.A.I.R. model through the HR department at a mid-sized European business school. Faculty experienced a series of six-week hybrid workshops on AI literacy, classroom simulations, and ethical dilemmas, and then a peer-reviewed teaching experience. An increase of 40% in confidence in addressing AI issues was recorded based on feedback, and the approach is currently being expanded into the accounting department. This is an example of how F.A.I.R. is not only a concept, but also an operational tool for institutional change. This is consistent with Trust and Horrocks' (2019) study on the impact of faculty learning communities on significantly increasing educator confidence, innovation in teaching practice, and sustained use of emerging technologies.

Recommendations for Policy and Practice
Institutional Investment

Universities need to make sustained, organized training around teaching with AI a financial priority. Ad-hoc one-off workshops are not enough. What institutions should do rather is to commit to programs and partnerships and staff that are long-term.

Accreditation and Standards Alignment

The programs should be based on Association to Advance Collegiate Schools of Business (AACSB), Chartered Institute of Personnel and Development (CIPD), Society for Human Resource Management (SHRM) standards in order to be relevant and quality programs. These are internationally recognized accreditation organizations that provide a common vocabulary and standards, making the chapter usable beyond a specific country's context.

Incentivizing Innovation

Teaching should be incentivized. In addition, promotion and tenure should reward cutting edge work with AI, ethical leadership in the use of AI, and work on teaching between disciplines.

Discussion and Limitations

The central pillar of this chapter has been to offer a thematic literature review coupled with practice, providing a foundation to prepare faculty to incorporate AI into accounting and HR. The F.A.I.R. model addresses specific gaps that are understood quite well, but, its use and relevance will likely differ depending on the institutional context. The model represents a conceptual contribution that awaits empirical testing; future studies should look into how the model can be applied and into its effects on faculty.

Also, while emphasizing literature across disciplines and internationally in this review, the available literature may have a bias towards English language and Western academia, which may affect the relevance of these in some regions where certain systems are under-represented. Readers are suggested to modify the model according to local culture, technology and curriculum.

Conclusion

In summary, this chapter has presented a pathway to prepare faculty for the incorporation of AI into their Accounting and Human Resource Management courses based on themes identified in the literature and the practices of industry. On the one hand, the F.A.I.R. model addresses very salient and recognizable gaps, and on the other, it acknowledges that it may not be applicable or generalizable in all institutional contexts. While the framework is a conceptual contribution, it has not yet been empirically tested and future studies should seek to apply it in the field and assess its faculty impact.

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