



David McPeak
Senior Technical Manager
International Accounting Education Standards Board
International Federation of Accountants

21 September 2015

Dear David McPeak

Consultation Paper - Guiding Principles for Implementing a Learning Outcomes Approach

ACCA (The Association of Chartered Certified Accountants) welcomes the opportunity to comment on the above consultation paper. ACCA is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

We support our 178,000 members and 455,000 students in 181 countries, helping them to develop successful careers in accounting and business, with the skills required by employers.

ACCA works in the public interest, assuring that its members are appropriately regulated for the work they carry out and, promoting principles-based approaches to regulation. We actively seek to enhance the public value of accounting in society through international research and we take a progressive stance on global issues to ensure accountancy as a profession continues to grow in reputation and influence.

ACCA is supportive of the proposed guiding principles outlined in the consultation. We are pleased to be able to contribute and ACCA's answers to the five questions put forward in the consultation paper can be found in the enclosure.



If you have any further queries or wish to discuss our responses, please do not hesitate to contact Katrina Smyth, Head of Education Recognition, at the e-mail address katrina.smyth@accaglobal.com.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alan Hatfield', with a stylized flourish at the end.

Alan Hatfield
Executive Director – Strategy & Development

Enc. 'ACCA Response to IAESB Consultation Paper on the Guiding Principles for Implementing a Learning Outcomes Approach'

ACCA Response to IAESB Consultation Paper on the Guiding Principles for Implementing Learning Outcomes Approach

1. **What is your view on the Guiding Principles? Specifically, are they helpful in providing a guide for implementing an effective learning outcomes approach?**

ACCA welcomes this approach and the drafting of this guidance and recognises that the guiding principles should be based on both the wider economic capacity building objectives and the related, but more specific, awarding organisation and professional accountancy programmes at the micro level. For this reason the presentation of the two Figures – Figure 1: The Value of a Learning Outcomes Approach and Figure 2: The Elements of the Guiding Principles are a very useful way of presenting the rationale for a Learning Outcomes Approach from both perspectives.

Figure 1 is an excellent summary at macro (capacity building) level of the key factors which form the rationale for a sound assessment model for any awarding body globally and which should be underpinned by a robust learning outcomes approach. It is important, at the outset, to state that guiding principles should ultimately meet the public interest and that the key qualitative factors underpinning trust between the general public and the accounting profession are:

1. **Stakeholder confidence** in a) the standard of the qualifications offered and b) in the quality and credibility of the awarding institutions.
2. **Reputation of the awarding organisation**, being the recognition of the awarding association in its local regulatory jurisdiction and where relevant, its global reputation and standing
3. **Effective programmes** which are relevant, future proofed (employer led) and are sustainable and enabling (including CPD and life-long learning) offering scope for personal and career development.
3. **Demonstrated competences** - To achieve 3, assessment must comply with and enable the valid and objective demonstration of compliance with IES Education standards in a reliable, consistent manner.

Figure 2 is also a good summary at the micro (awarding organisation and programme) level which quite rightly focuses on three key elements which support competence and continuous improvement.

On the guiding principles ACCA is of the view that there may be a need for an introductory section which explains what the learning outcomes approach is, to set the scene or put the guidance into context. The introduction could clarify how this approach differs from other approaches. As exams increasingly replicate the work environment and simulations become more widespread, the ways to assess competence based on learning outcomes could result in a blurring between what is tested in examinations and what is tested in PER. Consequently, it may be helpful if the introduction commented on this trend and IAESB's position. While the vision is clear and elements of the guiding principles appropriate, ACCA considers that the principles themselves could be a little more specific (without being prescriptive) and more helpful in guiding syllabus and assessment design.

2. How do you see the use of these Guiding Principles benefitting your organisation, or other organisations with which you are familiar?

As stated in the answer to Q1, the rationale for producing a set of guiding principles for a learning outcomes approach have been very well laid out and ACCA strongly subscribes to these. ACCA also agrees that the value elements and elements underpinning the guiding principles are sound. In view of this ACCA considers that this philosophy is of great value in providing a vision for governments, regulatory and quality assurance authorities and ultimately to awarding organisations in designing and governing their programme design, assessment approach and governance structures.

The main benefit of such an approach, as stated above, is to provide an overall vision for educating and training professional accountants in the public interest. In addition, other benefits include giving awarding organisations a clear focus for designing programmes, associated assessments and the governance structures to support these programmes and assessments. The Guiding Principles will help professional awarding associations decide how to design their programmes, what they should include and how they should articulate the coverage and depth of learning outcomes to include. Furthermore the guiding principles emphasise the clear links between specifying clear learning outcomes and in the assessment of these learning outcomes, specifying the qualitative characteristics which such learning outcomes and assessments should meet.

3. What additional Guiding Principles do you recommend to support the implementation of a learning outcomes approach?

These are the specifics ACCA would recommend were added to the guiding principles to achieve the objectives stated:

Design: It is important to state at the outset that the main primary qualitative characteristic related to programme design is *relevance*, possibly supported by secondary characteristics such as *compliance and applicability*. Relevance is determined by designing clear and specific learning outcomes based on a competency framework from the International Education Standards. Awarding organisations should therefore ensure that the learning outcomes within their programmes demonstrate the competencies contained within these standards. In addition, it is incumbent on awarding organisations to ensure that the design of their programmes and the outcomes within them make their programmes compliant with local law, regulations and educational frameworks where required, which permit the professional accountant to practice in any given jurisdiction, where this is relevant. It is important to impress upon awarding organisations that a guiding principle should be to ensure that their programme and assessment design is stakeholder focused, mainly employer led, to ensure that target market needs are met as and when these change, over time and as new market, technological and commercial developments arise.

Additional guiding principles for programme design may include the recommendation that curricula should be designed to meet the required intellectual levels, relating to standards (*Foundations, introductory, intermediate and mastery*) and be expressed in sufficient detail to ensure that the learner and education provider are clear on the learning objectives to be met, using appropriate action verbs to ensure that competency scope and level is appropriate and transparent.

Finally, the design of curricula should have a logical flow and progression to adequately support teaching and learning.

Assessment: While *relevance* is most appropriate in terms of guiding the design of programmes, it can be argued that *validity and reliability* are the primary qualitative characteristics for the appropriate design of assessments and fairly measuring candidate performance against those assessments, with the secondary characteristics being, *equity, sufficiency, transparency and consistency*. It is implicit that assessment design should set learning outcomes which help demonstrate professional competence, but the principles need to spell out how this may be achieved in relation to the qualitative characteristics outlined. This has been achieved to some degree in the guiding principles but there are further principles which could be included, and these are outlined in our answer to question 4 below.

Governance: The guiding principles around governance seem to be particularly light and fairly non-specific. Governance and quality assurance is a key pillar of a learning outcomes approach and sound governance is essential to ensure that the qualitative characteristics of design and assessment are met.

Guiding principles should include direction on how to monitor the design and assessment process how to ensure *relevance* in design of curricula and that they are *compliant and applicable*. Governance arrangements also need to assure the *validity and reliability* of the assessment of learning outcomes, including policies, processes and procedures for ensuring that assessments are, *equitable, sufficient, transparent and consistent*.

4. What other areas of implementation guidance would you recommend be developed to support a learning outcomes approach?

The following could be included under a more specific set of guidance:

Design:

Guiding principles for relevance:

- Learning outcomes mapped with International Education Standards
- Compliance of learning outcomes with jurisdiction specific legal, regulatory and educational requirements
- Stakeholder led – particularly employers within the target market
- Current and future proofed – are learning outcomes updated regularly to account for emerging issues and to anticipate future trends in employability?
- Learning outcomes are detailed and specific, supported by instructional verbs
- Logical structure and progression of curriculum to support teaching and learning

Assessment:

Guiding principles for validity:

- Content (adequate breadth of assessment per event)
- Level - (appropriate depth of assessment)
- Alignment of assessment requirements with learning outcomes
- Assessment requirements clearly signposted to performance criteria

Guiding principles for reliability:

- Length and structure of the assessment
- Independence of assessment against the learning requirements within the curriculum
- Clarity of requirements
- Comparable demand of assessment requirements between exam sittings
- Objective and fair measurement of candidate performance within an assessment (marking and moderation)
- Timely feedback to candidates on their individual and collective performance and on specific assessment and performance issues

Governance:

Guiding principles:

- Institutional validation of the relevance of programme design and syllabus development
- Institutional policies for recruiting and appointing suitable education and examining staff
- Institutional processes for ensuring compliance of learning outcomes with relevant law, regulation and educational standards
- Institutional policies for ensuring the independence of instruction and the assessment standard setting from candidate performance measurement
- Institutional policies, processes and procedures for ensuring validity and reliability of assessments and candidate performance, including *equity, sufficiency, transparency and consistency*

5. Have you implemented a learning outcomes approach?

ACCA has adopted a learning outcomes approach which is criterion based. ACCA has syllabuses and study guides which have an aim, rationale and relational diagrams to set the syllabus structure in context within a wider curriculum. The basic syllabus structure is at three levels of detail from syllabus sections, to subject areas and finally to learning outcomes, the third of which are based on clear instructional verbs, designated at one of three intellectual domains, which relate closely to Blooms Taxonomy and to the domains applied by the IES. They also cover the competencies within the IAESB International Education Standards. ACCA's learning outcomes also comply with the local law and regulation (where applicable) and are firmly stakeholder led, meeting the requirements of employers and other stakeholders. They are also structured logically and progressively so that education providers can base their teaching and students their learning around them.

(a) If yes: what recommendations do you have for others yet to implement a learning outcomes approach?

ACCA would recommend that curriculum design was primarily stakeholder led (particularly by employees within the target employment market) that learning outcomes are compliant with IFAC Education standards and other local legal, regulatory and educational requirements and are updated regularly to take account of latest legal, regulatory, educational and market led developments.

The curriculum design should contain a clear aim and rationale for the programme and for each assessed component. The curriculum should be structured in a way that allows a sufficiency of learning outcomes which are clearly written, containing instructional verbs to express both the precise competency which needs to be demonstrated and the standard (level) at which performance against that competency can be measured. The design should guide education providers and learners by being logically structured with a natural learning progression to support guided and independent teaching and learning.

Assessment should be clearly aligned with the learning outcomes to sufficiently cover their breadth of content and intellectual depth. The requirements should clearly and objectively measure competence against these learning outcomes and be clearly linked to and reflected in the performance measure or criteria used. There should be sufficient quality control to ensure that exam demand (difficulty) is consistent across examination points and that the measurement of candidate performance within each examination is independent, fair, equitable and consistent.

(b) Please share an example(s) of your approach – including assessment activities used – which you believe may be useful to assist others implementing a learning outcomes approach.

To give an illustration ACCA uses a learning outcomes approach to assess ethics at its Professional level. For example the relevant syllabus contains the following learning outcome:

Describe and critically evaluate issues surrounding accounting and acting against the public interest ^[3]

This outcome is at the third level of detail within the relevant examination and relates to the overriding need for accountants to act in the public interest at all times (an IES 4 competency) and contains the verbs describe and critically evaluate. Note also that the outcome is designated as a level 3 outcome which broadly equates with the mastery level in IES 3 under the intellectual domains provided under Professional Skills.

Below is an extract of an examination question from June 2014 which assesses this outcome:

Some corporate governance codes prohibit audit firms such as Hum and Hoo from providing some non-audit services to audit clients without the prior approval of the client's audit committee. This is because it is sometimes believed to be against the public interest.

Required:

Explain 'public interest' in the context of accounting services and why a client's audit committee is a suitable body to advise on the purchase of non-audit services from Hum and Hoo. (9 marks)

The above requirement is clearly aligned with and consistent with the relevant learning outcome shown earlier and requires the candidate to first explain public interest in the context of accounting services and to explain the issues behind offering non-audit services to a client.