

IAESB STAFF QUESTIONS & ANSWERS
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Staff Questions and Answers
on the Implementation of a
Learning Outcomes Approach

IAESB

International Accounting
Education
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This Staff Questions and Answers on *Implementation of a Learning Outcomes Approach*, was developed and approved by the International Accounting Education Standards Board™ (IAESB™®).

The IAESB develops education standards, guidance, and information papers on pre-qualification education, training of professional accountants, and continuing professional education and development.

The objective of the IAESB is to serve the public interest by setting high-quality education standards for professional accountants and by facilitating the convergence of international and national education standards.

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Staff Questions and Answers Publication (June 15, 2015)

Implementing a Learning Outcomes Approach based on the Revised International Education Standards (IESs)

This Questions & Answers (Q&A) publication has been developed by staff of the International Accounting Education Standards Board (IAESB).

The publication does not amend or override the IESs, the texts of which alone are authoritative. Reading this Q&A publication is not a substitute for reading the IESs. The Q&A publication is not meant to be exhaustive and reference to the standards themselves should always be made.

This publication does not constitute an authoritative or official pronouncement of the IAESB.

Background

The revised IESs and the implementation of a learning outcomes approach will serve the public interest by enhancing the development of professional competence needed to perform a role as a professional accountant. A learning outcomes approach integrates desired learning outcomes, program¹ design and assessment activities, as well as an evaluation process driving continuous improvement. As such, it is an effective approach to developing competence – an important objective of professional accounting education and development. An effective program leads to competent professional accountants thereby strengthening the quality of services they provide.

The Questions and Answers below have been drafted to support those implementing a learning outcomes approach in accordance with the requirements of the revised IESs. A summary of the main features of the revised IESs is provided in Table 1.

¹ The term, "program," covers professional accounting education programs, practical experience and/or programs of CPD.

Table 1 - Main features of the revised IESs in the implementation of a learning outcomes approach

	IES 2 - Initial Professional Development – Technical Competence (Revised)	IES 3 - Initial Professional Development – Professional Skills (Revised)	IES 4 - Initial Professional Development – Professional Values, Ethics, and Attitudes (Revised)	IES 5 - Initial Professional Development – Practical Experience (Revised)	IES 6 - Initial Professional Development – Assessment of Professional Competence (Revised)	IES 7 - Continuing Professional Development	IES 8 - Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)
Effective date	July 1, 2015	July 1, 2015	July 1, 2015	July 1, 2015	July 1, 2015	Jan 1, 2014	July 1, 2016
Competence areas specified	Financial accounting and reporting; Management accounting; Finance and financial management; Taxation; Audit and assurance; Governance, risk management and internal control; Business laws and regulations; Information technology; Business and organizational environment; Economics; and Business strategy and management.	Intellectual; Interpersonal and communication; Personal; and Organizational	Professional skepticism and professional judgement; Ethical principles; and Commitment to the public interest.	None specified			Audit; Financial Reporting; Governance and risk management; Business environment; Taxation; Information technology; Business laws and regulations; Finance and financial management; Intellectual; Interpersonal and communication; Personal; Organizational; Commitment to the public interest; Professional skepticism and professional judgement; Ethical principles
Assigned Proficiency level	Intermediate (except for Economics)	Intermediate	Intermediate	Not applicable			None specified
Learning outcomes specified	Yes	Yes	Yes	Not applicable			Yes
Stated measurement activities or approach	IFAC member bodies shall design assessment activities that have high levels of reliability, validity, equity, transparency and sufficiency within professional accounting education programs			Output-based approaches; Input-based approaches; or Combination approaches.	N/A	Output-based approaches; Input-based approaches; or Combination approaches.	The achievement of learning outcomes is an output-based approach to measuring CPD.

Questions and Answers

General

1. What is meant by a “program” (as referred to in the Guiding Principles)?

The term “program” is a general term used to describe any program of professional accounting education, practical experience or programs of Continuing Professional Development (CPD).

2. When does an aspiring professional accountant become a ‘professional accountant’?

Initial Professional Development (IPD) for the aspiring professional accountant continues until individuals can demonstrate the competence required for their chosen roles in the accountancy profession. Qualification, licensing or certification (“qualification”) is the formal recognition of an individual having attained a professional designation, or having been admitted to membership of an IFAC member body. Internationally, there are significant legal and regulatory differences that determine the point of qualification of professional accountants and it may occur from very early to very late in a career. Each IFAC member body can define the appropriate relationship between the end of IPD and the point of qualification for its members.

3. What is meant by the “role to be performed by the individual” (as referred to in the Guiding Principles)?

The role of a professional accountant exists in different areas of the accountancy profession, for example, accounting technician, auditor, financial accountant, management accountant, and taxation accountant. The role is performed to a defined standard and is important in designing learning and development activities and assessment activities which are relevant to work expected to be performed by the individual.

Professional accountants may take on new roles during their careers that require the development of new competences. For example, a professional accountant in business may want to become an accounting educator; or an accounting technician may want to become an audit professional; or an audit professional may want to become an audit engagement partner. In such cases, CPD that includes many of the same elements as IPD may be necessary for roles that require different, additional and/or a greater breadth and depth of technical competence, professional skills, and professional values, ethics and attitudes.

4. Why do the Guiding Principles not refer to the delivery method of programs?

The delivery method is covered in the design element of the Guiding Principles (See Design element of Table 2 below).

Table 2 – Guiding Principles for a Learning Outcomes Approach

Design	<p>The design of a program is informed by identifying the role to be performed by the individual, which assists in clearly identifying the relevant competence areas.</p> <p>Competence areas, together with their assigned proficiency levels and their related learning outcomes, drive the design of a program.</p> <p>The instructional design methods and content of a program align with the achievement of the desired learning outcomes.</p> <p>The design of a program is regularly re-evaluated in response to available evidence, data, and information to continually improve its effectiveness.</p>
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In designing or re-evaluating the design of a program it is intended that the delivery method is considered.

5. What is involved in transitioning to a learning outcomes approach?

Each IFAC Member Body will develop its own approach to transitioning to a learning outcomes approach. It is recommended that the approach includes an analysis of impacted stakeholders and involves early engagement with those considered critical to the success of the approach. Recommendations from IFAC Member Bodies implementing a learning outcomes approach identified through the IAESB outreach project include:

- Position learning outcomes as the focal point when developing learning activities and assessment activities,
- Start with the proper identification of the target audience, establish the goal of the program, and develop learning outcomes that address the desired technical competence, professional skills and professional values, ethics and attitudes based on the established goals,
- Identify target audiences and goals in consultation with stakeholders in the local marketplace to provide valuable insight into the specific needs of the market – learning outcomes explicitly outline performance expectations and identify what the learner is expected to know and do,
- Use or develop a competency framework,
- Map existing educational offerings to desired learning outcomes and perform a gap analysis. This can be outsourced,
- Link learning outcomes to the related examinations,

- Establish an effective communications plan to address the change management of the transition working closely with all stakeholders, including examiners where appropriate to ensure that the approach is well understood, which will assist in its acceptance and aid in its implementation,
- Appreciate that it will take time and resources, and
- Make use of publically available reference material to support:
 - The articulation of benefits of a learning outcomes approach,
 - The development of learning outcomes, for example, Blooms Taxonomy, and
 - The achievement of congruence between design, assessment and desired education outcome.

6. Who are the likely stakeholders to be impacted in implementing or in transitioning to a learning outcomes approach?

Those impacted by the implementation of, or transition to a learning outcomes approach to professional accounting education programs will vary by IFAC Member Body and a local analysis is encouraged. Impacted parties however may be reasonably expected to include:

- Businesses employing professional accountants or aspiring professional accountants,
- Regulators,
- Higher education providers contributing to the provision of programs, and
- Government.

Design-related

7. Why are competence areas specified?

Competence areas are categories for which a set of related learning outcomes can be specified. Competence areas, as a result, help to provide a logical construct which can be of use in designing programs, curricula, and assessment activities.

8. Why are proficiency levels specified for IPD?

There are three levels of proficiency described by the IESs – foundation, intermediate and advanced.

Proficiency levels describe the context/work situation in which the learning outcomes are achieved which is important in the design of programs and assessment activities. Context characterized by low ambiguity, complexity and uncertainty is associated with the foundation proficiency level. As ambiguity, complexity and uncertainty increase to moderate and high, the proficiency level increases to intermediate and advanced respectively.

For example:

- (a) In order to demonstrate technical competence in financial accounting and reporting (intermediate proficiency level) an individual is required to 'prepare financial statements including consolidated financial statements.

The complexity of accounting for an organization's consolidation varies according to the nature, number, and the geographic dispersion of its subsidiaries.

More specifically, an organization with subsidiaries that report in a currency different from the parent company requires the use of judgment in evaluating the appropriate functional currency, and the related impact of intercompany transactions. This represents a level of complexity and judgmental application of accounting principles which is not applicable in a group comprising only domestic subsidiaries. Accordingly, this example is better aligned with an intermediate or advanced level of proficiency.

- (b) In order to demonstrate professional skills in the area of intellectual skills (intermediate proficiency level), an individual is required to identify when it is appropriate to consult with specialists to solve problems and reach conclusions.

Applied to a procedure such as estimating the fair value of investment securities, the work situation can be characterized by low levels of complexity whereby the securities can be valued using quoted market prices. In such a situation, there is a low level of judgment to conclude that use of specialists to determine the fair value is not needed.

If the work situation is characterized by less well-known investment securities that are not publicly traded, there is more judgment involved in evaluating whether an estimate of fair value requires the use of a specialist, and is therefore indicative of a higher level of proficiency.

9. Why are proficiency levels not specified in IES 8?

No proficiency level is attached to the competence areas in revised IES 8. This IES is written on the premise that Engagement Partners are fully competent to assume that role; however, the changing environment requires Engagement Partners to maintain and further develop professional competence throughout their careers.

10. In a program, do the prescribed courses or subjects need to match the competence areas listed in the IESs?

No. Whether the learning outcomes are addressed within the construct of the competence areas as listed in the revised IESs is at the discretion of the program provider. The competence areas listed in the revised IESs do not have to be identical to the names of courses or subjects. For example, in developing technical skills in Information technology, a specific information technology course or subject is not required in a program. Rather, the competence can be developed through embedding information technology content and assessment activities throughout other courses or subjects such as management accounting and auditing. Similarly, developing interpersonal and communication skills does not require a course or subject on communication. Rather, interpersonal and communication content and activities can be embedded throughout a program.

11. Can an organization responsible for a program change proficiency levels, learning outcomes, and the competence areas?

The proficiency levels can be increased but not decreased. Learning outcomes can be added but not removed. The stated learning outcomes and related proficiency levels provide a base that can be built upon to reflect the professional competence needed for a specific role.

Competence areas provide a suggested logical construct within which a set of related learning outcomes can be categorized. As such, it may be appropriate to group and label the prescribed learning outcomes differently to suit different program structures.

12. In what ways might an organization responsible for a program expand the scope of the technical competence, professional skills, and professional values, ethics and attitudes prescribed in the IESs?

An organization can:

- Increase the proficiency level for competence areas. For example, an organization responsible for a program could require economics to be at an intermediate proficiency level or financial accounting and reporting to be at an advanced proficiency level; or
- Develop additional learning outcomes. An organization responsible for a program could include the requirement to 'prepare a corporate governance statement' as a learning objective under the competence area of governance, risk management and control.

Assessment-related

13. What measurement approaches are stated in the IESs?

A summary of the approaches by IES are included in Table 1.

14. What is the difference between an input-based and an output-based approach?

An output-based approach is one that requires the demonstration of professional competence through the achievement of learning outcomes. In contrast, an input-based approach establishes an amount of learning activity required for professional accountants to develop and maintain professional competence.

15. Do all learning outcomes need to be assessed?

Yes. Professional competence is demonstrated by evidencing the achievement of all of the stated learning outcomes.

16. Do assessment activities have to match the competence area?

The competence areas were included in the IESs to provide a way to organize learning outcomes. There is no requirement to have assessment activities attached to the competence area.

17. Do all learning outcomes need to be assessed with separate assessment activities?

No. Individual assessment activities do not need to be set for each learning outcome. It is often possible to assess several learning outcomes with a single assessment activity. Assessment activities are designed to gather sufficient evidence to satisfy the demonstration of professional competence through the achievement of learning outcomes.

The verbs used in the learning outcomes are intended to assist in the identification of the form of evidence that could be used to satisfy the assessment requirement.

18. What types of assessment activities can be used to assess professional competence?

Assessing professional competence is a complex task and draws on the outcomes of a range of assessment activities. Examples of assessment activities that will comprise the portfolio of evidence include written examinations, oral examinations, objective testing, computer-assisted testing, workplace assessment of competence by employers, and a review of a portfolio of evidence on completion of workplace activities. The selection of appropriate assessment activities is at the discretion of the organization responsible for the program; however, assessment activities generally vary depending on whether they are assessing knowledge, skills or attitudes, or a combination thereof. The assessment of knowledge gained is commonly assessed through written examinations, case studies, and objective testing, whereas the assessment of professional skills and attitudes is more commonly assessed through workplace assessments, work-based simulations or group exercises in which the individual's performance can be observed. The assessment of professional attitudes may include written examinations, case studies, and objective testing as well as workplace assessments.

19. How are the results of assessment activities used?

An individual's performance in assessment activities is compared to a defined target or benchmark to determine whether the learning outcomes have been achieved, and whether evidence is available to support the demonstration of professional competence.

The collective results of the assessment activities undertaken for a program are evaluated to identify potential opportunities to improve the design, delivery, and assessment of the program.

20. How can an examination be designed to evidence the achievement of learning outcomes?

Learning outcomes can be disaggregated to consist of multiple learning objectives or key learning points to support the design of an examination.

Examination questions can be written at this disaggregated level with an expectation that a learning outcome can be achieved without answering each question related to the learning objective or key learning point correctly.

For example, multiple examination questions can be designed to address a learning outcome with the expectation that a learning outcome can be achieved based on the successful completion of a defined number or proportion of those questions.

Governance-related

21. How often should programs be evaluated?

IFAC Member Bodies and other organizations with responsibility for a program should consider a specified review cycle and requirements for reviewing the program. A review can be undertaken regularly with a frequency, for example, of between 3 – 5 years. It may be that changes in the external and internal environment require a program review earlier within the planned review cycle. Review considerations include:

- Achievement of program objectives, structure, and content of the program;
- Progression of individuals through to completion of the program;
- Effectiveness of the delivery and assessment approaches employed; and
- Stakeholders' feedback on the quality of the program.

22. Is documentation necessary to evidence the performance of program reviews?

Basing reviews of programs on verifiable evidence may satisfy the needs of third parties who oversee or regulate an IFAC member body. It will also increase the confidence of stakeholders that programs are achieving their intended objective and contributing towards the enhanced competence of professional accountants.

Verifiable evidence is that which is objective, capable of being proven, and stored in written or electronic form.

Key Contacts

This document was prepared by the Staff of the International Accounting Education Standards Board (IAESB). Feedback on these questions related to the implementation of a learning outcomes approach should be sent to

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