



International Accounting  
Education  
Standards Board

545 Fifth Avenue, 14th Floor, New York, NY 10017  
T + 1 (212) 286-9344 F +1 (212) 286-9570  
www.iaesb.org

**Committee:** International Accounting Education Standards Board  
**Meeting Location:** IFAC Headquarters, New York, USA  
**Meeting Date:** July 11-12, 2018 beginning 9.00 am.  
**SUBJECT:** **Maintenance of Implementation Support Material - Issues Paper (07/18)**

## INTRODUCTION

- 1) The overall purpose of this paper is to present recommendations to the IAESB on withdrawal and/or review of certain implementation support material prioritised for maintenance and enhancement of the criteria for maintenance of implementation support material.
- 2) This paper outlines:
  - (a) A brief background on the maintenance project.
  - (b) Findings and recommendations on a preliminary review of three extant implementation support material prioritised for maintenance.
  - (c) Recommendations on enhancement of the criteria for maintenance of implementation support material.
- 3) This agenda item contains the following materials:
  - Agenda Item 5-1: Maintenance of implementation support material – Issues Paper (07/18).
  - Agenda Item 5-2: Updated Inventory of IAESB Guidance Materials (with monitoring responsibilities).
  - Agenda Item 5-3: Revised criteria for maintenance of implementation support material (merged version).

## BACKGROUND

- 4) One of the focus areas of the IAESB under the Strategy 2017 - 2021 is the development and maintenance of implementation support material that will increase the awareness and adoption of the IESs.
- 5) The IAESB has tasked the Implementation Support Work Group (ISWG) to advise the Board on the value of the existing support material including those that require enhancement or withdrawal and areas in which new support material may be required.
- 6) As part of undertaking the above responsibility, the ISWG has undertaken a preliminary review of three implementation support material prioritised for maintenance and has made specific recommendations on withdrawal and/or review of the material as appropriate.
- 7) In addition, the ISWG has proposed names of Board members/Technical advisors/IAESB staff to take the lead in monitoring developments that may impact on various implementation support material. The ISWG has also enhanced the criteria for maintenance of implementation support material to incorporate the factors that could trigger maintenance work.

**FINDINGS AND RECOMMENDATIONS ON PRELIMINARY REVIEW OF THREE IMPLEMENTATION SUPPORT MATERIAL**

- 8) The ISWG reviewed the following three extant implementation support material based on a priority list earlier adopted by the Board:
- (a) International Education Paper (IEP 2) – *Towards Competent Professional Accountants*.
  - (b) Discussion Paper – *Competence-Based Approaches to the Professional Preparation of Accountants*.
  - (c) International Education Paper for Professional Accountants (IEP 3) – *Assessment Methods*.

9) A summary of the review findings and recommendations are presented below.

Implementation support material	Key review findings	Comments	Recommendations
<p>1. Towards Competent Professional Accountants</p> <p><b>Issuer:</b> IFAC</p> <p><b>Approved by:</b> IFAC Education Committee</p> <p><b>Issue date:</b> April 2003</p>	<p><b>Purpose:</b></p> <p>The paper identifies the objectives of the competence based approach, defines competence, describes different types of competence and offers guidance to member bodies on how to conduct their own studies. It is a descriptive survey of the work done mainly by IFAC member bodies, rather than an academic work or a literature review.</p> <p>Highlights:</p> <ul style="list-style-type: none"> <li>• Paper reviews two competence-based approaches namely functional analysis and capabilities approach as practised in various countries and the move towards combination of the two.</li> <li>• Also presents the functional</li> </ul>	<ul style="list-style-type: none"> <li>• The material appropriately captures the practices then and rightfully recommends a shift towards an integrated approach combining functional analysis and capabilities approach.</li> <li>• The IAESB has since adopted a learning outcomes approach which integrates learning outcomes, program design, assessment activities and governance in a process of continuous improvement. A learning outcomes approach promotes the direct link between education and on the job capabilities.</li> <li>• In connection with above, the IAESB has: <ul style="list-style-type: none"> <li>- Developed the <i>Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants</i> (2015) anchored on learning outcomes, competence areas and proficiency levels and assessment activities necessary to produce a</li> </ul> </li> </ul>	<p><b>Recommendation: Withdraw and archive</b></p>

	<p>maps and competence frameworks for various institutes in Australia, New Zealand, UK and USA as at the date of issue</p> <ul style="list-style-type: none"> <li>In addition, reviews various methods of assessing competencies and capabilities</li> </ul>	<p>competent professional accountant.</p> <ul style="list-style-type: none"> <li>Specified the learning outcomes and levels of proficiency applicable under IESs 2, 3 and 4 and the learning outcomes for IES 8.</li> <li>Issued IES 6, <i>Initial Professional Development – Assessment of Professional Competence (2015)</i></li> <li>Issued guidelines for implementation of a learning outcomes approach.</li> <li>The functional maps and competency frameworks presented for various institutes may not be current.</li> <li>Certain competence areas such as professional ethics, risk management and professional skepticism have not been distinctly provided for</li> <li>The support material was issued prior to the issue of IESs and establishment of the IAESB hence some references may be incorrect.</li> <li>No mention of computer-based testing as a type of assessment.</li> </ul>	
--	--	---	--

<p>2. Competence-Based Approaches to the Professional Preparation of Accountants</p> <p><b>Issuer:</b> IFAC</p> <p><b>Approved by:</b> IFAC Education Committee</p> <p><b>Issue date:</b> June 1998</p> <p><b>Development:</b> The IFAC Education Committee commissioned a Professor of Education (name not stated) who was an expert on competence-based education to develop the paper.</p>	<p><b>Purpose:</b></p> <p>The paper was developed to discuss the issue of competence in general terms, indicating what is involved in a competence-based approach and presenting guidance to member bodies that would assist them in assessing the implications of its adoption within their system.</p> <p><b>Highlights:</b></p> <p>The paper covers in general terms:</p> <ul style="list-style-type: none"> <li>• Meaning of competence-based approach</li> <li>• Public expectations on the competence of professionals</li> <li>• Role of higher education providers, professional bodies, employers and aspiring professional accountants in the competence-based approach</li> <li>• Implications of work-based performance assessment</li> <li>• Relationship between competence and capabilities</li> <li>• Limitations of traditional approaches to professional education</li> </ul>	<ul style="list-style-type: none"> <li>• Given the generic (principles based) approach adopted in describing issues relating to competence-based approach, the paper may still be relevant today.</li> <li>• However, there is need for further review to assess whether the paper can be enhanced, for instance through another survey, to incorporate emerging issues.</li> <li>• The definition of competence in the paper should be aligned with that in the <i>IAESB Glossary of Terms</i> (April 2015).</li> </ul>	<p><b>Recommendation:</b> Review for emerging issues and align terminologies with the <i>Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants (2015)</i>.</p>
---	--	--	---

	<ul style="list-style-type: none"> <li>• Concept of learning to learn</li> <li>• Assessment of competence</li> </ul>		
<p>3. Assessment Methods</p> <p><b>Issuer:</b> IFAC</p> <p><b>Approved by:</b> IFAC Education Committee</p> <p><b>Issue date:</b> December 2004</p> <p><b>Development:</b> Professor David Lines and Professor Elizabeth Gammie.</p>	<p><b>Purpose:</b></p> <p>The paper considers the key concepts in assessment, provides a summarised evaluation of various relevant assessment methods and then considers, in a non-prescriptive fashion, the assessment methods that are best suited to test different capabilities and competences, both knowledge based and practically focused.</p> <p><b>Highlights:</b></p> <ul style="list-style-type: none"> <li>• The paper reviews thirteen (13) assessment methods in terms of applicability, strengths and weaknesses.</li> <li>• The paper further matches the assessment methods to capabilities and competences.</li> <li>• The paper was aligned with the then IES 6 – Assessment of Professional Capabilities</li> </ul>	<ul style="list-style-type: none"> <li>• The contents of the paper support and provide additional guidance to the implementation of the extant IES 6.</li> <li>• There is need to align the terminologies used with those of the extant IES 6 (Revised 2015) and ensure any subsequent emerging issues on assessment are factored in.</li> </ul>	<p><b>Recommendation: Apply the criteria for maintenance of implementation support material on a test basis to determine whether maintenance is required. Review for emerging issues and align terminologies with the <i>Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants.</i></b></p>

	and Competence.		
--	-----------------	--	--

- 10) The ISWG has also updated its recommendations on the other implementation support material.
- 11) The IAESB has advised the ISWG to propose individual Board members/Technical advisors/IAESB staff that could assist the Board monitor developments likely to affect the relevance of specific implementation support material.
- 12) In making the proposals, the ISWG has considered the involvement of Board members/Technical advisors/IAESB staff on development and/or review of the implementation support material or related material, and current responsibilities.
- 13) The proposals and other recommendations are appended as **Agenda Item**.

**Action Requested:**

1. Do you agree with the recommendations on the preliminary review of the three implementation support material? If not, what are your suggestions for improvement?
2. Do you agree with the proposals on allocation of responsibilities to Board members/Technical advisors/IAESB staff for assisting the IAESB monitor developments affecting implementation support material? If not, what are your suggestions for improvement?
3. Do you have any additional recommendations on the review of implementation support material?

.....

**RECOMMENDATIONS ON ENHANCEMENT OF THE CRITERIA FOR MAINTENANCE OF IMPLEMENTATION SUPPORT MATERIAL**

- 14) Following the presentation of the Criteria for Maintenance of Implementation Support Material to the CAG and IAESB in November 2017, members noted the need to enhance clarity and eliminate any overlaps in the criteria. In particular, members noted the need to specify trigger factors for the maintenance of implementation support material.
- 15) Following the above suggestions, the ISWG has reviewed the Criteria and incorporated the following additions:

**Factors triggering the need for maintenance of implementation support material**

- (a) Introduction, withdrawal or significant amendments to an IES leading to gaps or misalignment of the IESs and implementation support material.
- (b) Critical comments from stakeholders identifying need for maintenance.
- (c) Lack of, or minimal reference to the support material available on the IFAC website or other publicly available channels.



- (d) Significant emerging developments and practices with global impact affecting the relevance and validity of extant implementation support material.
- (e) Findings from research and similar surveys pointing to a gap in the extant implementation support material.
- (f) Feedback from periodic reviews, benchmarking, outreach and other activities identifying the need for maintenance.
- (g) Lapse of time: A holistic review of the suite of implementation support material shall be undertaken periodically but within a period not exceeding three years.

### **Some considerations to guide the nature of the maintenance decision**

#### *(a) Reinforcement of existing implementation support material*

This may be considered when:

- i. There are gaps in the existing implementation support material as identified by the above triggers.
- ii. The gaps are however not sufficient enough to necessitate development of new implementation support material.
- iii. The reinforcements would retain the implementation support material as fit for purpose.
- iv. It would not be cost effective or time efficient to develop new implementation support material.

#### *(b) Withdrawal of existing implementation support material*

This may be considered when:

- i. The existing implementation support material is significantly misaligned with the IES.
- ii. Other significant developments in professional education have made the implementation support material obsolete and thus not fit for purpose.
- iii. It would not be cost effective or time efficient to reinforce the existing implementation support material due to the extensive nature of amendments required.
- iv. There would be no material gaps in implementation support from the withdrawal of the material, or any such caps would be addressed by enhancing current material or developing new material.

#### *(c) Development of new implementation support material*

This may be considered when:

- i. There are material gaps in the existing implementation support material as identified by the above triggers.
- ii. It would not be cost effective or time efficient to reinforce the affected implementation support material.
- iii. Development of new implementation support material is necessary for the protection and furtherance of public interest.

#### *(d) Other additions to the criteria*

- i. The criteria is for internal reference by the IAESB.
- ii. The criteria will not apply to ongoing projects for the development of implementation support by the IAESB task forces.

**Action Requested:**

1. **Do you agree with the recommendations on enhancement of the criteria for maintenance of implementation support material? If not, what are your suggestions for improvement?**
2. **Do you have any additional recommendations on the revised criteria for maintenance of implementation support material?**