Committee: International Accounting Education Standards Board

Meeting Location: Indaba Hotel, Johannesburg, South Africa

Meeting Date: April 13-15, 2016, beginning 8:30am.

SUBJECT: Learning Outcomes Guidance – Issues Paper (04/16)

INTRODUCTION
1) The overall purpose of this paper is to provide the Task Force (TF) recommendations for next steps to support the broad implementation of a learning outcomes approach by member bodies and other impacted stakeholders.
2) The TF is seeking input from the Board on the recommendations set out in this paper.
3) This paper outlines:
   (a) A brief recap of the Learning Outcomes Implementation Guidance Project, including its rationale, deliverables and timeframes;
   (b) A summary of the TF’s activities since the November 2015 Board meeting; and
   (c) The status of the TF project deliverables and recommendations for further activity in this area.

BACKGROUND
Project rationale
4) The focus of the IAESB 2014-2016 Strategy and Work Plan (SWP) is on identifying, researching and producing implementation guidance to support the revised International Education Standards (IESs). More specifically, the development of guidance to support the implementation of a learning outcomes approach in professional accounting education programs. This will help serve the public interest by improving the quality of professional accounting education, and hence the profession as a whole.

Project Status
5) During the October 2014 IAESB meeting, the Board approved the Project Proposal – “Implementation Guidance – A Learning Outcomes Approach”.
6) The proposal outlined a phased approach to the project which was revised based on feedback at subsequent Board meetings.
7) The latest project deliverables, timelines and status are summarised as follows:

<table>
<thead>
<tr>
<th>Phase</th>
<th>Deliverable</th>
<th>Description</th>
<th>Delivery date</th>
<th>Status</th>
</tr>
</thead>
</table>
| One   | Consultation Paper – non authoritative | Consultation Paper for Guiding Principles for Implementing a Learning Outcomes Approach  
  • The value proposition  
  • Guiding principles of a learning outcomes approach | July 2015 | Published July 2015 |
|       | Global guidance – non authoritative | Staff Questions and Answers publication | July 2015 | Published July 2015 |
Phase | Deliverable | Description | Delivery date | Status
--- | --- | --- | --- | ---
Two | Global guidance – *non* authoritative | **Final Guiding Principles for Implementing a Learning Outcomes Approach**
| | | Stand-alone *Value Proposition* document
| | | Examples from Member Bodies, demonstrating the Guiding Principles in operation
| | | Expanded Staff Questions and Answers publication
Three | Internal report | **Presentation of evidence to inform the Board’s next steps.**
| | | The evidence gathered from the Consultation Paper is expected to consider, for example, whether there is a need for more or different guidance, for a revision of the Standards, or for an authoritative publication.

**Task Force Activities**

8) Since the last Board meeting the TF has:
   (a) Finalised the Phase Two deliverables for release, including working through a full DWG review, and obtaining the necessary approvals from member bodies whose programs served as the basis for the practical examples.
   (b) Met to discuss TF recommendations for next steps in light of the evidence gathered through the Consultation Process.

**DISCUSSION**

**TASK FORCE RECOMMENDATIONS FOR NEXT STEPS**

**Task Force Observations**

9) Subsequent to the publication of the deliverables in January 2016, the TF has reflected on the evidence and data gathered in the consultation process (see appendix 1 for the key themes shared with the Board during the November 2015 meeting.)

10) The TF also confirmed there has been no feedback received on the publications since January 2016. As feedback had not been specifically sought, the TF views the absence of any further comment as a positive reception to the guidance acknowledging that negative reactions are typically received unsolicited.

**Task Force recommendations:**

11) The TF recommendations are categorised into 3 parts, which are based on the final objective of the project and other related matters that were identified as a result of this project.

**Part 1 – Guiding Principles as Non-Authoritative**

12) Based on the lack of evidence suggesting the need for the guiding principles to become authoritative, including the viewpoint of the TF, we recommend that the Guiding Principles remain non-authoritative guidance.

13) There is also no evidence to suggest the need for additional guidance or amendments to existing Standards which were not addressed in the responses to the Consultation Paper and the related matters noted for broader Board consideration as raised in November 2015 by the TF.

14) Those broader matters are:
   a) Congruence between IES 7 and a learning outcomes approach; and
   b) The IESs keeping pace with the changing profession.

15) The TF understands that the matters highlighted above are being addressed by the IES 7 Task Force and the Strategy and Priorities Consultation process.
Part 2 – Due consideration of the Board’s Communication Strategy

16) Cognisant of the volume of comments received in the consultation process around the need for a wider understanding of the benefits and importance of a learning outcomes approach, the TF is interested in obtaining input from the Board on whether a separate communications project is the most effective avenue in achieving the objective of a wider understanding of a learning outcomes approach.

Action Requested:
B. Do you agree with the need to reinforce the Board’s position on the importance of a learnings outcome approach?
C. Do you believe this should be addressed through a separate project to advance the effectiveness of the Board’s communication?

Part 3 – Due consideration of the Board’s maintenance plan for the suite of implementation guidance products issued

17) In its Issues Paper discussed at the November 2015 Board Meeting, the TF raised the need for a separate project to be undertaken by the Board in order to determine a process by which the practical examples and Staff Q&A are maintained and updated.

18) The TF published 6 practical examples through the Board outreach and leveraging TF members’ association with member bodies. There is a benefit in adding additional examples, including those on the application of the Guiding Principles to CPD (IES 7 and 8).

19) The TF believes that the practical examples are sufficient to achieve the objectives of the project; however, there is an opportunity to increase the number of examples due to responses from the Consultation Paper where Member Bodies were willing to hold further discussions about their approach to adopting a learning outcomes approach.

Action Requested:
D. Do you agree with the need for a separate project to determine the process for maintaining and updating implementation guidance issued by the Board, including that developed for the implementation of a learning outcomes approach?
Appendix 1 – Themes and disposition of comments received\(^1\) on consultation around the Guiding Principles

**Themes from the comment letters received**

The responses received were from the following stakeholders:

<table>
<thead>
<tr>
<th>Member Body</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Firms</td>
<td>4</td>
</tr>
<tr>
<td>Regulators</td>
<td>1</td>
</tr>
<tr>
<td>Individuals and Others</td>
<td>3</td>
</tr>
<tr>
<td>Other Professional Organizations</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21</strong></td>
</tr>
</tbody>
</table>

The TF identified the following observations and themes from the comments:

(a) Fifty-nine percent (59%) of respondents have, or are in the process of implementing a learning outcomes approach. Three-quarters of them offered recommendations to others yet to implement a learning outcomes approach as part of their comment letters.

(b) Eighty-six percent (86%) of respondents explicitly expressed the value in the Guiding Principles, with 57% of respondents calling for amendments or improvements to the Guiding Principles as drafted, and many expecting them to be of most relevance to developing nations.

(c) Sixty-two percent (62%) of respondents expressed a need for further guidance; however, very few of the requests were consistent amongst 20% or more of respondents. It is evident that value will be in the combined implementation guidance package of the Staff Q&A, the examples and the Guiding Principles as many responded that further guidance is needed to make the Guiding principles more tangible, and differentiated from the Framework/IESs.

(d) The most consistent requests for further detail are:
   
   a. in relation to developing appropriate assessment activities and governance and oversight process (33% and 29% of respondents respectively) indicating a limited comfort and experience in these areas;
   
   b. (24% of respondents) in relation to the application of the Guiding Principles to Continuing Professional Development, supporting the case for the implementation guidance project currently being undertaken by the Board in respect of IES 8; and
   
   c. (24% of respondents) in relation to setting the context for the Guiding Principles, specifically highlighting the importance and value of implementing a learning outcomes approach, indicating that the Value Proposition has a role beyond the Consultation Paper, and that there is a broader need to reinforce the case for this change in the IESs Revision Project

**Disposition of comments**

In response, the TF

(a) Updated the Guiding Principles in response to specific comments.

(b) Published the Value Proposition as drafted in the Consultation Paper as an independent Information Paper within the Learning Outcomes Implementation Guidance suite.

(c) Responded to guidance requests made consistently by more than 20% of respondents with:
   
   i) Amendments to the Guiding Principles themselves;
   
   ii) Additional, or updated Staff Q&A; and/or

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\(^1\) Specific comments can be found in the November 2015 Issues Paper
iii) Raising matters with a broader impact for future Board consideration.

Amendments to Guiding Principles

The most prevalent requests for improvements to the Guiding Principles can be summarised as follows:

a) Greater context to accompany the Guiding Principles, defining what is meant by a learning outcomes approach and how it differs from other approaches to learning and development;

b) Better linkage between the Guiding Principles and the IESs;

c) Clarification of the applicability of the Guiding Principles beyond IPD; and

d) Integration of concepts such as instructor quality, learning environment and relevant content into the Guiding Principles.

The revisions to the Guiding Principles included:

a) Updating the introductory paragraph to more explicitly:
   i) Highlight the link between a learning outcomes approach and the IESs, namely that a learning outcomes approach is the premise on which the revised standards have been developed;
   ii) Define what is meant by a learning outcomes approach;
   iii) Describe the broad applicability of the Guiding Principles to IPD, practical experience and CPD; and
   iv) Acknowledge the impact of the learning environment on the learning outcomes approach.

b) Leveraging editorial recommendations in order to:
   i) Clarify the Assessment Guiding Principles, differentiating between the assessment of an individual and the assessment of program effectiveness; and
   ii) Address the need for the assessment to support the achievement of the learning outcome at a sufficient level of complexity.

c) Highlighting the use of language direct from the IESs in order to balance the desire to demonstrate the broad applicability of the Guiding Principles while ensuring the Guiding Principles remain consistent with the standards themselves.

Publication of the Value Proposition as an Information Paper

The comment letters received indicated that neither the importance/benefits of a learning outcomes approach, nor the Board’s position on such an approach is widely understood. In response, the TF published the Value Proposition as drafted in the Consultation Paper as an additional Information Paper in the implementation guidance package.

In discussion of the early Consultation Paper response letters with the CAG, the CAG was supportive of ensuring the value of a learning outcomes approach was understood. The CAG recognised that there is an investment to be made to take a learning outcomes approach, and that relevant stakeholders need to be bought in to the value to ensure success, and that the return on the investment is realised.

The CAG also recommended conducting round tables with relevant stakeholders, including those program providers that offer continuing professional accounting education as a means discussing the Board’s position on outcomes-based education and development.

In addition, an additional Q&A was been added to the Staff Q&A publication to share some of the benefits of a learning outcomes approach articulated by respondents.

The TF deliberated whether the benefits list should be more comprehensive by including benefits as articulated in publically available materials. The TF concluded that, consistent with prior discussions, the implementation guidance should reflect input from Member Bodies to promote applicability, and limit direct referencing of external materials that would require periodic updating.
Requests for Further Guidance:

Guidance requests made consistently by more than 20% of respondents are set out in the table below together with TF responses.

<table>
<thead>
<tr>
<th>Purpose of requested guidance</th>
<th>TF response</th>
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</thead>
<tbody>
<tr>
<td>Highlighting the importance and benefits of a learning outcomes approach</td>
<td>Added a question to the Staff Q&amp;A, leveraging the benefits articulated in some of the comment letters. Publication of the Value Proposition (as drafted in the Consultation Paper) as an Information Paper within the Learning Outcomes Approach suite of guidance.</td>
</tr>
<tr>
<td>Support the writing and development of appropriate and robust assessment activities</td>
<td>Directing users to the wealth of publically available reference materials on the subject of learning outcomes, designing learning opportunities to achieve them, and development assessments to measure their achievement. This will be done without reference to specific materials.</td>
</tr>
<tr>
<td>Developing and delivering appropriate governance and oversight processes</td>
<td>The TF believes a governance and oversight process will be unique to most Member Bodies based on the diversity of accounting education programs; accordingly, the planned examples for publication are expected to be responsive to this comment.</td>
</tr>
<tr>
<td>How the principles of a learning outcomes approach applies to CPD given the acceptable alternatives available in IES 7</td>
<td>The TF is of the view that taking a learning outcomes approach is the most effective way to demonstrate and, by consequence, improve the competence of professional accountants. As such, the TF encouraged the Board to address whether the input based learning and development in IES 7 should be re-evaluated. This is being addressed by the IES 7 Task Force. The TF also expects that the outputs from the IES 8 implementation guidance project will support the application of the Guiding Principles in practice for CPD of engagement partners.</td>
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</tbody>
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