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Good Practice Guide: The Education, Training, and Development of Accounting Technicians
The mission of the International Federation of Accountants (IFAC) is to serve the public interest, strengthen the accountancy profession worldwide and contribute to the development of strong international economies by establishing and promoting adherence to high-quality professional standards, furthering the international convergence of such standards and speaking out on public interest issues where the profession’s expertise is most relevant.

Copies of this paper may be downloaded free-of-charge from the IFAC website at http://www.ifac.org. The approved text is published in the English language.
Introduction

The Mission of IFAC is to serve the public interest by continuing to strengthen the worldwide accountancy profession and contribute to the development of strong international economies. This is achieved by establishing and promoting adherence to high-quality professional standards, furthering the international convergence of such standards and speaking out on public interest issues where the profession’s expertise is most relevant.

The IFAC mission is accomplished in a number of ways, including the supporting of the development of professional accountants and accounting technicians. It is intended that this publication prepared by IFAC’s Developing Nations Committee, *Good Practice Guide: The Education, Training and Development of Accounting Technicians* (Accounting Technicians Guide), will contribute to the achievement of IFAC’s mission by raising awareness of the need for and role of accounting technicians, especially in developing nations. The Guide is issued specifically for professional accountancy organizations, including IFAC member bodies, associates and potential IFAC members. Although the International Education Standards, issued by the International Accounting Education Standards Board, set out accountancy education requirements for professional accountants, some of its principles are relevant to the education and development of accounting technicians and have been referred to.

The Guide complements other IFAC good practice guides intended to assist IFAC members and potential members in developing sustainable capacity. In particular, the Guide is designed to assist professional accountancy organizations in developing qualified accounting technicians through education, training, and assessment of skills and competence. The Guide also recommends professional accounting organizations provide ongoing professional development of accounting technicians and have activities in place to monitor their compliance with ethical requirements.

The Developing Nations Committee acknowledges the significant contribution of the Association of Accounting Technicians (UK) in the preparation of the Guide. A joint editorial board comprised of members of the Developing Nations Committee and the International Accounting Education Standards Board has assisted in the review of the Guide.
ACCOUNTING TECHNICIAN GUIDELINES: THE EDUCATION, TRAINING, AND DEVELOPMENT OF ACCOUNTING TECHNICIANS

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ACCOUNTING TECHNICIANS GUIDELINES

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1. Introduction

The accountancy profession includes skilled individuals working in a variety of roles including both professional accountants and accounting technicians. In recent years, the role and demand for accounting technicians, in both the private and public sector, has become increasingly evident. This is especially the case in developing and emerging economies where individuals do not have the resources to qualify as professional accountants. Consequently, there are generally fewer available qualified professional accountants and many countries are not able to retain professional accountants in-country because of the global shortage. Developed economies also need accounting technicians both in cases where smaller entities may not require the skills of a professional accountant or where the size of larger entities is such that much work needs to be undertaken at a technician level in addition to the work undertaken by professional accountants.

Although some countries have professional accountancy organizations or education providers who offer accounting technician certification programs, many countries do not. In these latter cases the accounting technician obtains his or her skills through on the job training. This Guide has been prepared to provide a framework for the certification of accounting technicians and their ongoing support and supervision through continuing professional development programs. The Guide also sets out possible mechanisms to ensure to accounting technicians comply with ethical requirements.

2. Who is This Guide Written for?

This Guide is primarily written to assist professional accountancy organizations including IFAC member bodies and associates to understand the role of accounting technicians, and to provide a framework for the development of an accounting technician program. Once qualified accounting technicians require access to ongoing support and continuing professional development opportunities to maintain their qualifications. Professional accountancy organizations, by including qualified accounting technicians in their membership, can fulfill this role as well as ensure they comply with ethical requirements. Those who do not appear to meet these ongoing membership requirements should be supported to help them to comply. Where this support does not achieve the desired improvement, members should be subject to investigation and, where appropriate, disciplinary action, as outlined in section 8.3 below.

These guidelines may also be of interest to employers who have a role to play in the preparation and development of accounting technicians. Employers provide the environment for prospective accounting technicians to gain practical experience and also benefit from the skills applied by developing accounting technicians.

Development agencies seeking to support accounting capacity development projects will also find the Guide useful in supporting initiatives to provide additional accounting technicians in the market place.

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1 "Professional Accountant” is the term used within this document to refer to qualified - chartered or certified accountants. However, different terms may be used in different jurisdictions.

2 The Africa Region Learning Workshop in Nairobi in September 2006 documented these challenges and identified the development of skilled accounting technicians as a solution.
3. Definition and Role of Accounting Technicians

The tasks and activities involved in an organization’s accounting and financial reporting functions are so varied in nature and complexity that not all tasks need to be performed by professional accountants and may be performed by accounting technicians.

An accounting technician is a skilled person who undertakes many of the day to day functions in the accounting environment. Accounting technicians may work alone in smaller organizations but in larger organizations usually work in support of senior accountants. Accounting technicians generally work at an operational level, making decisions appropriate to their role, with guidance from a senior accountant as appropriate. Accounting technicians work in all types of organizations, including commerce and industry, government, public services and private practice. Accounting technicians may progress to higher level jobs or qualifications once they have completed their technician level training.

Accounting technicians play a key role at an operational level in the production of timely, credible and reliable financial information which is fundamental to successful investment, effective governance, and service delivery. This in turn contributes to economic development and brings benefits to the public interest.

The nature of the accounting technician’s work will depend on the individual’s skills and experience, the environment within which they are working, such as the type and size of organization, and whether the organization operates in the private or public sector. Properly trained and experienced accounting technicians are able to operate and manage many financial systems with the minimum of supervision. Professional accountants are therefore able to delegate tasks with confidence to such staff and are thus freed to focus on the strategic roles for which they are qualified. In smaller entities and organizations, accounting technicians are capable of managing the accounting systems without supervision.

In the public sector, where accounting capacity development is a particular problem, accounting technicians are an essential resource because of the difficulty of recruiting, training and retaining professional accountants. Where organizations do have professional accountants in post, their capacity is severely restricted without competent operational support.

4. Objectives of the Accounting Technician Guide

A clearly-defined skills development and skills maintenance framework of technical competence, from the entry level to the qualified professional accountant level, enables economies to develop capacity in a cost-effective way to match their skills needs. In addition, the conferring of professional status engenders public confidence in technician level of the accountancy profession and provides a reference to a standardized level of knowledge, competence, ethics and performance of the members.

In July 1999, IFAC’s International Education Committee published An Advisory on Education and Training of Technical Accounting Staff. The Guide builds on that advisory document and

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3 Source: Occupational Standards for Accounting Technicians in the ECSAFA Region produced 2005.
4 IFAC’s previous International Education Committee is now the International Accounting Education Standards Board.
ACCOUNTING TECHNICIANS GUIDELINES

sets out a framework to support the education, technical competency and development of the accountants working at the technician level. Although the International Education Standards set out education requirements for professional accountants, many of its principles are relevant to the education and development of accounting technicians and are referred to in this Guide\(^5\).

Accounting technician work ranges from basic level financial administration, to supervisory and managerial roles. In addition, many accounting technicians go on to develop their skills further and progress to attaining professional accountancy qualifications. Consequently, this framework follows a logical progression from entry level to an accounting technician level training program, through to qualification.

This framework also emphasizes the need for ongoing support of accounting technicians through continuing professional development activities and mechanisms to monitor compliance with ethical requirements. It is important that organizations seeking to develop accounting technician programs take a practical approach to using the framework. The framework can be used by professional accountancy organizations as appropriate and adapted to their own needs according to their environment and resources available to develop the elements of the framework. Professional accountancy organizations can adopt elements of the framework according to what they consider to be priorities and taking into account existing education, certification, and supervision arrangements that they have in place for their members. Implementing just one part of the framework is certainly beneficial and organizations need not wait until they have the necessary resources to implement the full framework before introducing the earlier elements of the framework. Professional accountancy organizations may choose, for example, to focus at first on the introduction of a qualification process and to address post-qualification elements once the qualification process has implemented.

The program could be undertaken part time or full time, by prospective accounting technicians with no relevant work experience, or with varying levels of work experience. It could be delivered through a dedicated training provider, or in the workplace. Whatever skill level is attained, it needs to be maintained throughout the individual’s career.

5. Framework for the Development and Support of Accounting Technician

The conferring of professional status and membership designation in a professional accountancy organization engenders public confidence in the technician level of the accountancy profession. It also provides a reference to a standardized level of knowledge, competence, ethics and performance of the qualified accounting technician.

The Guide is organized according to pre qualification, qualification, and post qualification stages. It also discusses the opportunity for technicians to develop their skills further and progress to a professional accountancy qualification.

- Pre-qualification for accounting technicians:
  - Entry requirements
  - The skills, knowledge and competence required by accounting technicians

\(^5\) International Education Standards are freely available on IFAC’s website at [www.ifac.org](http://www.ifac.org).
• Qualification as accounting technicians:
  o Assessment
  o Practical experience for admission to membership

• Post-qualification requirements for accounting technicians:
  o Accounting technician member designation and maintenance
  o Ongoing professional support and supervision
  o Continuing Professional Development
  o Compliance with ethical requirements
  o Supervision and disciplinary investigations/action

• Opportunities for progression to professional accountancy qualifications

6. Pre-Qualification

6.1 Entry Requirements

Prospective accounting technicians need an appropriate level of prior education and learning to provide the foundation necessary to acquire the skills, knowledge and competence to become an accounting technician. In essence, the prospective accounting technician should have attained a reasonable level of literacy and numeracy i.e., should be able to complete written assignments and make numerical calculations without difficulty.

Some organizations might choose to implement a short, basic literacy/numeracy test, which could be used either as a self-assessment or as a formal entry test. It is recommended, however, that no formal entry requirements be put in place, as many potential accounting technicians may be mature students who left education early and have improved their skills in the workplace rather than through formal qualifications. The prospective accounting technician’s point of entry into a program will depend on his or her capabilities, previous education and work experience.

6.2 Education Content

IFAC’s International Education Standards for Professional Accountants set out to ensure that successful students have the “knowledge base and strong skills in order to produce competent professional accountants with appropriate values, ethics and attitudes”.

Accounting technicians need to develop skills and the knowledge and understanding that underpin these skills. This knowledge and understanding enables them to fully understand how and why a particular task is undertaken. When knowledge is taught in isolation from the skills that it underpins, there is a risk of learning without the development of real understanding. Their education should therefore be competence based and aiming for an outcome, rather than being academic and being measured on input, or the number of hours of learning they undertake. The desired outcome is to produce an accounting technician who can perform effectively and efficiently in the workplace. This in turn, means that they can still undertake the tasks if the context or working environment changes e.g., if they were to move from a public sector environment to public practice.
In addition, this also helps accounting technicians to transfer their skills, both within an organisation and across different organisations, and within one country or region.

The design of qualification structures needs to enable individuals to progress through the levels of technician training to achieve their full potential. Competence at each level should, however, be credited, providing for their recognition and value in the marketplace.

A suggested accounting technician qualification structure can be divided into three levels:

- The first level covers introductory areas including double entry bookkeeping, an introduction to administrative processes, bank and ledger reconciliations, and manual and computerised accounting systems.

- The second level introduces more complicated accounting tasks, including the preparation of final accounts for sole traders and partnerships, how to maintain cost accounting records and how to prepare reports and returns.

- The third level covers drafting financial statements for limited companies, performing more complex management accounting tasks and developing management skills. It can also include some choice of units, so students can start to specialise in their preferred areas e.g., personal/business tax, public sector etc.

It is particularly important for accounting technicians at each level that develop not only knowledge and understanding, but also, the practical accounting skills as well as the broader business skills required to operate accounting systems effectively. It is short-sighted to focus on theoretical aspects and leave the practical and business skills to be acquired after qualification. To do so makes demands on employers that they are seldom able to fulfill and skills are developed in a haphazard way.

Recommended skills and the underpinning knowledge and understanding which lead to competence are provided in Appendix 1 as guidance. The skills indicated in the unit and element titles may need to be adapted for different jurisdictions. Appendix 1 is based on regional occupational standards for accounting technicians developed by the Eastern Central Southern African Federation of Accountants (ECSAFA). The content is unit based and each unit is a measurable task that is carried out in the workplace.

6.3 Ethics, Values and Attitudes

As set out in IFAC’s International Education Standard 4, “education programs need to deal with ethical rules in a positive, participative way, for example, by exploring links between ethical behavior, corporate failure and fraud. It is important for professional accountants to learn from their experiences.” Accounting technicians also need to develop appropriate professional values, ethics and attitudes. This is essential to enable accounting technicians to provide services of consistently high quality in the public interest and to protect public confidence in the profession, regardless of the country or region in which a technician is working.

It is recommended that this part of the program be taught in a discursive way, involving discussion and drawing on prospective accounting technicians’ real experiences and those they have witnessed as observers through news reports etc. It is important to recognise that some of the potential ethical issues they need to cover will be areas where they have no direct experience,
so the teaching will also need to focus on hypothetical situations, and will need to take into account confidentiality and sensitivity considerations.

7. **Qualification**

7.1 **Assessment**

It is recommended that assessment of a prospective accounting technician be an assessment of competence, rather than of academic learning. This will confirm whether the prospective technician has the necessary skills, and related knowledge and understanding, to perform the tasks required.

Assessment methods will vary depending on local circumstances, but it is recommended that all assessment schemes include some formal examination, to guarantee consistent standards of assessment.

For assessing some skills and competencies, assessment would naturally be best undertaken in the workplace. This is not always practical as many accounting technician students are not yet working in an accountancy environment; in addition, many employers do not wish confidential information to be disclosed, or do not have the skills or time to undertake formal assessment. It is therefore recommended, that where workplace assessment is not possible, simulated work-based scenarios be used to assess competence.

One, or a combination of the methods described above, should be used in conjunction with formal examinations testing the application of knowledge and understanding to work-based scenarios. This form of assessment tests competence as well as underpinning skills and knowledge in a controlled environment rather than simply testing memory recall or academic ability.

All assessments should ensure that the evidence prospective accounting technicians provide of their skills, knowledge and competence is valid, sufficient, reliable, recent and authentic. Appropriate quality assurance measures should be put in place to ensure that those responsible for assessment have the necessary skills to make sound judgments and that these judgments are made consistently across prospective accounting technicians and across time; they should be appropriately qualified and trained assessors and their role is likely to include verification of assessment decisions, or sample checks in the case of work-place or work-based assessment and some form of moderation of formal examinations and marking.

Once assessment has confirmed that the prospective accounting technician has the appropriate skills, knowledge and understanding, he or she can be granted certification for this initial qualification.

7.2 **Practical experience**

For a candidate to qualify as an accounting technician, they must demonstrate that they have the necessary skills, knowledge, understanding and ethics to undertake the role. Since the recommended education and training program for accounting technicians is skills based rather than purely academic, it is possible for someone to complete the initial accounting technician qualification without being employed within an accountancy role. They will have undertaken assessments that prove their competence, through work-based case study scenarios. It is,
however, recommended that prospective accounting technicians have at least one year’s relevant work experience as part of their qualification requirements. This will ensure that they have had the opportunity to put their skills into practice in an actual work situation; this experience could either be gained whilst studying, or post qualification. The practical experience should be verified by a suitably qualified person.

8. Post-Qualification

Once qualified, accounting technicians will need the same support and monitoring as qualified professional accountants. This support and supervision function is most appropriately undertaken by a professional accountancy organization with the qualified accounting technician included in the membership of the organization.

8.1 Continuing Professional Development

The IESs also express the need for professional accountants to “continue to learn and adapt to change throughout their professional lives”. These objectives are equally applicable to accounting technicians, and professional accountancy organizations are encouraged to establish a continuing professional development (CPD) program for qualified accounting technicians. CPD contributes to the competence of accounting technicians and therefore acceptable CPD activities are expected to develop the knowledge, skills and values, ethics and attitudes of the accounting technician, relevant to their current and future work and professional responsibilities.

The key objectives for professional accountancy organizations when establishing a CPD program are to:

(a) Promote the importance of continuous improvement of competence and a commitment to lifelong learning for all accounting technicians

(b) Facilitate access to CPD opportunities and resources to assist accounting technicians in meeting their responsibility for lifelong learning.

(c) Require all accounting technicians to develop and maintain competence relevant and appropriate to their work and professional responsibilities.

(d) Monitor compliance with the continuing development requirements including enforcement in instances of non-compliance.

As is the case for professional accountants, it is the responsibility of the individual accounting technician to develop and maintain professional competence necessary to provide high quality services to clients, employers and other stakeholders. The only exemption from the mandatory CPD requirement should be for members who are fully retired and will not be returning to the workforce in any capacity at any stage in the future.

Accounting technicians should be required to measure learning activities or outcomes to meet the member body’s CPD requirements. Learning activity can be measured in terms of effort or time spent, or through a valid assessment method which measures competence achieved or developed. CPD could be measured through various different approaches, or a combination of these approaches:
(a) Input-based approaches — by establishing a set amount of learning activity that is considered appropriate to develop and maintain competence.

(b) Output-based approaches — by requiring professional accountants to demonstrate, by way of outcomes, that they develop and maintain professional competence.

(c) Combination approaches — by effectively and efficiently combining elements of the input- and output-based approaches, setting the amount of learning activity required and measuring the outcomes achieved.

More information about CPD can be found in IES 7.

8.2 Code of Ethics

The accountancy profession, including accounting technicians, is committed to the following objectives:

(a) Development of an ethical approach to work as well as to their employers and clients. This is acquired by experience and professional supervision under training and is safeguarded by strict ethical and disciplinary guidelines.

(b) Acknowledgement of duties to society as a whole in addition to duties to their employer or the client.

(c) An outlook which is essentially objective, obtained by being fair minded and free from conflicts of interest.

(d) Rendering services to the highest standards of conduct and performance.

(e) Achieving acceptance by the public that members provide accountancy services in accordance with these high standards and requirements.

Accounting technicians should be expected to follow guidelines on professional ethics, appropriate to the level of work they undertake, based on the IFAC Code of Ethics’ principles. It is recommended that such guidelines:

(a) Set out a code of based on the five fundamental principles established by the IFAC Code of Ethics which accounting technicians should be expected to follow:

- integrity
- objectivity
- professional competence and due care
- confidentiality
- professional behavior.

(b) Provide a conceptual framework which accounting technicians are expected to apply to enable them to identify and evaluate threats to compliance with the fundamental principles and to respond appropriately to them.

(c) Provide guidance and illustrations on how to apply the conceptual framework in practice both generally and in specific problem situations. Accounting technicians should consider...
these and apply them as appropriate to ensure that they adhere to the fundamental principles in their own situation.

A sample set of guidelines, based on the IFAC guidelines but adapted to suit the needs of accounting technicians, is shown as Appendix 3.

8.3 Investigation and Disciplinary Action for Non-compliance

It is recommended that an investigations and disciplinary process is in place to deal with instances of misconduct, breaches with ethical requirements or other regulations. This is essential to maintain public confidence in the technician level of the accountancy profession. As set out in the IFAC Developing Nations Committee publication entitled Establishing and Developing a Professional Accountancy Body, misconduct includes any and all of the following6:

- Criminal activity
- Acts or omissions likely to bring the accountancy profession into disrepute
- Breaches of professional standards
- Breaches of ethical requirements
- Gross professional negligence
- A number of less serious instances of professional negligence that, cumulatively, may indicate unfitness to practice
- Unsatisfactory work

9. Progression to Professional Accounting Qualifications

As well as being a qualification and career choice in its own right, an accounting technician qualification can serve as a basis for progression to a qualified professional accountant certification program. Qualified accounting technicians will already have a practical grounding in accounting and often make excellent professional accountancy students. Many professional accountancy qualifications provide exemptions to qualified accounting technicians who want to enter a qualified professional accountancy program. These examinations, include for example, granting the qualified accounting technician exemption from the first year of exams or specific courses.

10. Appendices

1. List of professional bodies catering for accounting technicians
2. Recommended standards of competence – outline
3. Full standards of competence (ECSAFA document)

5. Involvement of third parties in the education, training and development of accounting technicians