



International Accounting
Education
Standards Board

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Committee: International Accounting Education Standards Board (IAESB)
Meeting Location: Bali, Indonesia
Meeting Date: April 9 – 11, 2019
Subject: **Development of Non-Authoritative Guidance: Detailed Learning Outcomes Related to Professional Accountants in Business – Issues Paper (4/19)**

INTRODUCTION

1. There are two objectives of this Issues Paper:
 - a. Brief the IAESB (the “Board”) on the process used by the Professional Accountants in Business (“PAIB”) Working Group to develop non-authoritative detailed learning outcomes (“NDLOs”).
 - b. Request the Board’s input on the following items related to the NDLOs:
 - the adequacy and sufficiency of the process used,
 - the presentation approach of the implementation guidance,
 - whether any NDLOs are inappropriate, and
 - any recommendations for significant enhancements.
2. The mapping of the NDLOs developed by the PAIB Working Group to the learning outcomes in the *Exposure Draft, International Education Standards 2, 3, 4, and 8 – Information and Communications Technologies and Professional Skepticism* issued in December 2018 (the “Exposure Draft”) is presented in the following agenda item.

Agenda Item 9-2	Non-Authoritative Implementation Guidance: Detailed Learning Outcomes Related to Professional Accountants in Business (4/19)
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BACKGROUND

Project Description

3. A summary of the key points in the PAIB project is presented herein for background purposes.
4. The IESs and its accompanying guidance improve the quality of professional accounting education worldwide. Much of the Board's guidance that accompanies the International Education Standards (IESs) is largely focused on assisting Professional Accountancy Organizations apply the IESs to increase the competence of the global accountancy profession. The purpose of this project is to develop non-authoritative guidance that enhances the understanding and application of the principles contained within the IESs to situations and examples encountered in and relevant to PAIBs.
5. To accomplish this, the Working Group developed a series of proposed NDLOs that assist education providers in developing the curriculum of accounting education programs by enhancing the depth of knowledge, understanding, and application of competence areas for PAIBs. These proposed NDLOs are meant to be a potential resource for someone seeking potential non-authoritative application guidance from the perspective and point of view of a PAIB. However, some of these NDLOs may also be relevant to accountants practicing in other areas of accounting. Along with the PAIB NDLOs, there is other non-authoritative application guidance and NDLOs being developed concurrently by other taskforces and working groups under the Board.

Development of Implementation Guidance

6. The PAIB Working Group commenced its activities in September 2018, held an in-person meeting at the October 2018 Board meeting, and has held multiple conference calls since then.
7. The Working Group focused its development efforts in the area of technical competence (i.e., aligned with the learning outcomes in International Education Standard (IES) 2, as it was decided that this represented the subject area where there is the greatest opportunity to enhance accounting education programs by developing NDLOs that reflect the differences in skills and tasks performed by PAIBs. While the development of NDLOs for the areas of Professional Skills (IES 3) and Professional Values, Ethics, and Attitudes (IES 4) was also considered, ultimately the Working Group concluded that these areas did not

contain as many differences or as pronounced differences between PAIBs and other accountants. Therefore, the development of the NDLOs was limited to the subject area of technical competence (IES 2), as this was considered to be the area in which implementation guidance geared towards PAIBs would be most beneficial and impactful.

8. The primary sources of information and input used to develop the PAIB NDLOs consisted of:
 - a. the Institute of Management Accountants' (IMA) Management Accounting Competency Framework,
 - b. the Chartered Global Management Accountants (CGMA) Competency Framework, and
 - c. the professional knowledge and experience of Working Group members.

9. In addition, as part of the development process of the draft PAIB NDLOs, the Working Group solicited input from the following sources:
 - a. Independent evaluation and review (i.e. "cold review") by an IAESB technical advisor outside of the Working Group,
 - b. Review by the PAIB Committee of the IFAC, and
 - c. Light Review by the Draft Working Group (DWG).

DISCUSSION

10. The recommendations and input received from the above sources were considered and incorporated into the development of the draft NDLOs.

Action Requested:

- A. Do you agree that the process outlined above to develop the NDLOs is adequate and sufficient, and provides a reasonable basis on which to issue non-authoritative guidance?**

Implementation Guidance – NDLOs

11. Agenda Item 9-2 provides the mapping of the NDLOs to IESs, competency areas, and Learning Outcomes as presented in the Exposure Draft. This is the presentation format that the Working Group is recommending for publication. Within the context of issuing non-

authoritative guidance, the PAIB Working Group is requesting input as set forth in the questions below.

Action Requested:

B. What advice do you suggest to improve the proposed guidance document (See Agenda Item 9-2) on the PAIB Non-Authoritative Detailed Learning Outcomes?

C. Are there any NDLOs that you consider to be inappropriate? If so, which ones and why?

D. Are there significant enhancements to the NDLOs you recommend? If so, which ones and why?

Milestones, Timeline, and Path Forward

12. The milestones and expected completion dates from the current time period forward are presented below.

	Milestones	Completion Dates
1	Obtain Board’s input on the questions outlined in this Issues Paper.	April 2019
2	Incorporate Board’s input and present final NDLOs to the Board for approval.	June 2019
3	Issue NDLOs.	July 2019

Resources

13. PAIB Working Group members are Karl Thaesler, Raef Lawson, and David McPeak (IAESB Staff).

PROPOSED WAY FORWARD

14. The Working Group will incorporate feedback and comments from the CAG and Board into the non-authoritative guidance document for review and discussion by the Board at its June 2019 meeting.