

**SUPPLEMENT TO EXPOSURE DRAFT,
PROPOSED IES 3 (REVISED):
MAPPING & TRACKED CHANGES DOCUMENT**

This supplement to the International Accounting Education Standards Board (IAESB) Exposure Draft, Proposed IES 3 (Revised), “*Initial Professional Development—Professional Skills*,” has been prepared by IAESB staff to demonstrate how the text of extant IES 3 (which may have been reworded as necessary) maps to proposed IES 3 (Revised). The highlighted text identifies material that is proposed to be deleted. An explanation of the proposed deletion and other comments are provided, where appropriate.

The material included herein is provided only to assist readers of the Exposure Draft of Proposed IES 3 (Revised). It is for information purposes only and does not form part of the Exposure Draft. The IAESB has not approved, disapproved, or otherwise acted upon this supplement. It is neither authoritative nor an official pronouncement nor statement of the IAESB.

Exhibit 1. Mapping Document

Note: Highlighting indicates material that has been deleted, unless otherwise noted.

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
Purpose and Scope of this Standard		
1. This Standard (IES) prescribes the mix of skills that candidates require to qualify as professional accountants. Part of the purpose of this IES is to show how a general education, which may be gained in a variety of ways and within different contexts, can contribute to the development of these skills.	Para 1	Wording amended in Para.1 to reflect: the emphasis on the prescribed learning outcomes that develop professional skills; the IAESB Drafting Conventions; and the content of Framework document (2009).
2. The aim of this IES is to ensure that candidates for membership of an IFAC member body are equipped with the appropriate mix of skills (intellectual, technical, personal, interpersonal and organizational) to function as professional		Paragraph deleted; content does not align with the guidelines of the Drafting Conventions on what content should be included in the scope and

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
<p>accountants. This enables them to function throughout their careers as competent professionals in an increasingly complex and demanding environment.</p>		<p>objective.</p>
<p>3. The skills professional accountants require are grouped under five main headings:</p> <ul style="list-style-type: none"> (a) intellectual skills; (b) technical and functional skills; (c) personal skills; (d) interpersonal and communication skills; and (e) organizational and business management skills. 		<p>Paragraph deleted; Some of the content captured in Table A of Para. 7 and A3 when describing competence areas.</p>
<p>4. This IES also addresses the non-business related studies that contribute to the development of these skills and may form part of general education. It does not cover professional accounting education, professional values, ethics and attitudes, practical experience requirements, or assessment of professional competence (please refer to IES 2, <i>Content of Professional Accounting Education Programs</i>, IES 4, <i>Professional Values, Ethics and Attitudes</i>, IES 5, <i>Practical Experience Requirements</i> and IES 6, <i>Assessment of Professional Capabilities and Competence</i>).</p>		<p>Paragraph deleted; A description of the scope occurs in Para. 3.</p>
Introduction		
<p>5. Skills are part of the set of capabilities required by professional accountants to demonstrate competence. These capabilities include knowledge, skills, professional values, ethics and attitudes. Capabilities are an indication of potential competence that can be transferred across different environments. It is important to ensure that professional accounting education programs</p>		<p>Paragraph deleted; The IAESB has decided to focus on professional competence rather than capabilities. A description of professional competence is provided in Para. A2.</p>

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
integrate the development of knowledge, skills, professional values, ethics and attitudes.		
6. Rising expectations of employers, clients and the public as to what professional accountants contribute at work and toward society generally have prompted an increased emphasis on professional skills.		Paragraph deleted; The content of this paragraph does not: (1) support the requirements of IES 3 and (2) align with the IAESB Drafting Conventions on Scope.
7. Various lists of skills have been classified and described in several ways. The lists set out in paragraphs 13–18 are not exhaustive.	Para A3	Paragraph reworded and now appears as Para. A3 of Explanatory Material section.
8. Appropriate skills enable the professional accountant to make successful use of the knowledge gained through general education. These skills are not always acquired from specific courses devoted to them but, rather, from the total effect of the program of professional accounting education as well as practical experience, and further developed through lifelong learning. Professional skills will always be most effectively applied if used in an ethical manner (see IES 4, Professional Values, Ethics and Attitudes). Some skills are contained implicitly within education programs. It may be necessary to highlight how the various learning activities develop these skills.		Paragraph deleted; some of the content is captured in Para A1 to recognize the ongoing development of professional skills in initial professional development stage of a professional accountant's career.
9. Relevant skills can give professional accountants a competitive edge in the market place and are useful throughout an individual's career. Not all these skills will, however, be fully developed at the point of qualification. Some may be the focus of		Paragraph deleted; Some of the content captured in Para. A1 which indicates that the development of professional skills continues to be the focus

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
continuing professional development.		of continuing professional development.
10. A good foundation of general education, although not an end in itself, is one way of helping candidates become broad-minded individuals who think and communicate effectively and who have the basis for conducting inquiry, carrying out logical thinking and undertaking critical analysis. This foundation will enable candidates to make decisions in the larger context of society, to exercise good judgment and professional competence, to interact with diverse groups of people, to think globally, and to begin the process of professional growth. The acquisition of these skills is more important than the way in which they are learnt.		
11. Definitions and explanations of the key terms used in the IESs are set out in the <i>Framework for International Education Pronouncements</i> .	Para. 4	Paragraph amended; Para. 4 refers to IAESB <i>Glossary of Terms and Framework</i> (2009) document to provide reference material for definitions and explanations of key terms
Effective Date		
12. This IES is effective from January 1, 2005.	Para 5	Date amended in Para 5 to reflect new effective date.
Professional Skills		
13. Individuals seeking to become professional accountants should acquire the following skills: (a) Intellectual skills;		Paragraph deleted; Some of the content appears in Para. 7 which describes the minimum learning

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
<p>(b) Technical and functional skills; (c) Personal skills; (d) Interpersonal and communication skills; and (e) Organizational and business management skills.</p>		<p>outcomes for the development of professional skills.</p>
<p>14. Intellectual skills are often divided into six levels. In ascending order, these are: knowledge, understanding, application, analysis, synthesis (to combine knowledge from several areas, predict and draw conclusions) and evaluation. It is important that candidates have reached the highest levels at the point of qualification.</p> <p>Intellectual skills enable a professional accountant to solve problems, make decisions and exercise good judgment in complex organizational situations. These skills are often the product of a broad general education. The required intellectual skills include the following:</p> <p>(a) the ability to locate, obtain, organize and understand information from human, print and electronic sources;</p> <p>(b) the capacity for inquiry, research, logical and analytical thinking, powers of reasoning, and critical analysis; and</p> <p>(c) the ability to identify and solve unstructured problems which may be in unfamiliar settings.</p>		<p>Paragraph deleted; Some of the content appears in Para. 7 which describes the minimum learning outcomes for the development of intellectual skills.</p>
<p>15. Technical and functional skills consist of general skills as well as skills specific to accountancy. They include:</p> <p>(a) numeracy (mathematical and statistical applications) and IT proficiency;</p>		<p>Paragraph deleted; The IAESB decided to describe technical and functional skills in IES 2 which addresses the various competence areas</p>

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
<ul style="list-style-type: none"> (b) decision modeling and risk analysis; (c) measurement; (d) reporting; and (e) compliance with legislative and regulatory requirements. 		of technical competence.
<p>16. Personal skills relate to the attitudes and behavior of professional accountants. Developing these skills helps individual learning and personal improvement. They include:</p> <ul style="list-style-type: none"> (a) self-management; (b) initiative, influence and self learning; (c) the ability to select and assign priorities within restricted resources and to organize work to meet tight deadlines; (d) the ability to anticipate and adapt to change; (e) considering the implications of professional values ethics and attitudes in decision making; and (f) professional skepticism. 		Paragraph deleted; Some of the content appears in Para. 7 which describes the minimum learning outcomes for the development of personal skills.
<p>17. Interpersonal and communication skills enable a professional accountant to work with others for the common good of the organization, receive and transmit information, form reasoned judgments and make decisions effectively. The components of interpersonal and communication skills include the ability to:</p> <ul style="list-style-type: none"> (a) work with others in a consultative process, to withstand and resolve conflict; (b) work in teams; 		Paragraph deleted; Some of the content appears in Para. 7 which describes the minimum learning outcomes for the development of interpersonal and communication skills.

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
<ul style="list-style-type: none"> (c) interact with culturally and intellectually diverse people; (d) negotiate acceptable solutions and agreements in professional situations; (e) work effectively in a cross-cultural setting; (f) present, discuss, report and defend views effectively through formal, informal, written and spoken communication; and (g) listen and read effectively, including a sensitivity to cultural and language differences. 		
<p>18. Organizational and business management skills have become increasingly important to professional accountants. Professional accountants are being asked to play a more active part in the day-to-day management of organizations. While previously their role might have been limited to providing the data that would be used by others, today, professional accountants are often part of the decision-making team. As a result, it is important that they understand all aspects of how an organization works. Professional accountants therefore need to develop a broad business outlook as well as political awareness and a global outlook.</p> <p>Organizational and business management skills include:</p> <ul style="list-style-type: none"> (a) strategic planning, project management, management of people and resources, and decision making; (b) the ability to organize and delegate tasks, to motivate and to develop people; 		<p>Paragraph deleted; Some of the content appears in (1) Para. 7 which describes the minimum learning outcomes for the development of organizational skills and (2) IES 2 when describing Technical Competence.</p>

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
<p>(c) leadership; and (d) professional judgment and discernment.</p>		
General Education		
<p>19. All professional education programs should include some portion of general education.</p>		<p>Paragraph deleted; Although the IAESB acknowledges general education as an important part of the development of the aspiring professional accountant, the Board prefers to recognize general education as a component of initial professional development as explained in the Framework (2009) document. A project on developing implementation guidance on general education will be considered in the next IAESB Strategy and Work Plan.</p>
<p>20. A broad general education can contribute significantly to the acquisition of professional skills (see also IES 1, <i>Entry Requirements to a Program of Professional Accounting Education</i>). General education requirements vary greatly from program to program and from country to country. General education focuses on the development of non-professional knowledge, intellectual skills, personal skills, interpersonal and communication skills, and organizational and management skills.</p>		<p>Paragraph deleted; See comment on paragraph 19.</p>

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
<p>21. A broad general education can encourage lifelong learning and provide a foundation on which to build professional and accounting studies. It may consist of:</p> <ul style="list-style-type: none"> (a) an understanding of the flow of ideas and events in history, the different cultures in today's world and an international outlook; (b) basic knowledge of human behavior; (c) a sense of the breadth of ideas, issues and contrasting economic, political and social forces in the world; (d) experience in inquiry and evaluation of quantitative data; (e) the ability to conduct inquiry, carry out logical thinking and understand critical thinking; (f) an appreciation of art, literature and science; (g) an awareness of personal and social values and of the process of inquiry and judgment; and (h) experience in making value judgments. 		<p>Paragraph deleted; See comment on paragraph 19.</p>
<p>22. A general education may be gained in a number of different ways and within different settings. General education may take place at any stage in a degree program with the balance of the program devoted to professional accountancy topics, including accounting, finance and related knowledge, organizational and business knowledge and information technology knowledge (see IES 2, <i>Content of Professional Accounting Education</i></p>		<p>Paragraph deleted; See comment on paragraph 19.</p>

Extant IES 3	New Para Ref	Comment on proposed deletion of highlighted material, significant edits, and other notes
<p><i>Programs</i>). General education may also be fully integrated into accountancy degree programs, with provision for the acquisition of key skills spread throughout the program</p>		
<p>23. Candidates may also take non-accountancy degrees and then acquire the necessary knowledge of professional accountancy subjects through studying for the examinations set by professional bodies. Candidates may also acquire key skills through experience at work, combined with studying for the examinations. This combination would include elements of general knowledge and skills and thus develop the competence and capabilities, including the underlying technical knowledge, required to qualify as a professional accountant.</p>		<p>Paragraph deleted; See comment on paragraph 19.</p>
<p>24. How these skills can be acquired may, therefore, differ from one IFAC member body to the next. Implementation of this IES depends on the cultural environment in which each body operates and the prevailing educational infrastructure. As a result, part of general education may be acquired during a broad and perhaps extended period of secondary education prior to higher education.</p>		<p>Paragraph deleted; See comment on paragraph 19.</p>

Exhibit 2. Tracked Changes Document

PROPOSED INTERNATIONAL EDUCATION STANDARD

3

**INITIAL PROFESSIONAL DEVELOPMENT -
PROFESSIONAL SKILLS AND GENERAL EDUCATION
(REVISED)**

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Introduction

Scope of this Standard (*Ref Para A1–A4*)

~~1. 1. This International Education Standard (IES) prescribes the mix of learning outcomes that develop professional skills that candidates require to qualify as required of aspiring professional accountants. Part Professional skills are the intellectual, personal, interpersonal, communication, and organizational skills that a professional integrates with technical competence and professional values, ethics, and attitudes to demonstrate professional competence.~~

~~1.2. This IES is addressed to International Federation of the purpose Accountants (IFAC) member bodies. IFAC member bodies have responsibility for ensuring that IPD meets the requirements of this IES is to show how a general education, which may. In addition, this IES will be gained in a variety of ways and within different contexts, can contribute helpful to the educational organizations, employers, regulators, government authorities, and any other stakeholders who support learning and development of these skills professional skills of aspiring professional accountants.~~

~~2. The aim of this IES is to ensure that candidates for membership of an IFAC member body are equipped with the appropriate mix of skills (intellectual, technical, personal, interpersonal and organizational) to function as professional accountants. This enables them to function throughout their careers as competent professionals in an increasingly complex and demanding environment.~~

~~3. The skills~~

~~This IES specifies the learning outcomes that demonstrate professional skills required of aspiring professional accountants require are grouped under five main headings:~~

~~(f) intellectual skills;~~

~~(g) technical and functional skills;~~

~~(h) personal skills;~~

~~(i) interpersonal and communication skills; and~~

~~(j) organizational and business management skills.~~

~~4. This IES also addresses by the non-business related studies that contribute to the development of these skills and may form part of general education. It does not cover professional accounting education, professional values, ethics and attitudes, practical experience requirements, or assessment of professional competence (please refer to end of IPD, while: IES 2, *Content of Initial Professional Accounting Education Programs*, *Development—Technical Competence*, and IES 4, *Initial Professional Development—Professional Values, Ethics and Attitudes*, IES 5, *Practical Experience Requirements* and IES 6, *Assessment of Professional Capabilities and Competence*).~~

~~, and Attitudes, specify other learning outcomes relevant to their areas of focus within IPD. Together, these IESs specify the learning outcomes that demonstrate~~ **Introduction**

~~2.3. 5. Skills are part of the set of capabilities professional competence required by of aspiring professional accountants to demonstrate competence. These capabilities include knowledge, skills, professional values, ethics and attitudes. Capabilities are an indication of potential competence that can be transferred across different environments. It is~~

~~important to ensure that professional accounting education programs integrate by the development of knowledge, skills, professional values, ethics and attitudes. end of IPD.~~

- ~~6. Rising expectations of employers, clients and the public as to what professional accountants contribute at work and toward society generally have prompted an increased emphasis on professional skills.~~
- ~~7. Various lists of skills have been classified and described in several ways. The lists set out in paragraphs 13–18 are not exhaustive.~~
- ~~8. Appropriate skills enable the professional accountant to make successful use of the knowledge gained through general education. These skills are not always acquired from specific courses devoted to them but, rather, from the total effect of the program of professional accounting education as well as practical experience, and further developed through lifelong learning. Professional skills will always be most effectively applied if used in an ethical manner (see IES 4, Professional Values, Ethics and Attitudes). Some skills are contained implicitly within education programs. It may be necessary to highlight how the various learning activities develop these skills.~~
- ~~9. Relevant skills can give professional accountants a competitive edge in the market place and are useful throughout an individual’s career. Not all these skills will, however, be fully developed at the point of qualification. Some may be the focus of continuing professional development.~~
- ~~10. A good foundation of general education, although not an end in itself, is one way of helping candidates become broad minded individuals who think and communicate effectively and who have the basis for conducting inquiry, carrying out logical thinking and undertaking critical analysis. This foundation will enable candidates to make decisions in the larger context of society, to exercise good judgment and professional competence, to interact with diverse groups of people, to think globally, and to begin the process of professional growth. The acquisition of these skills is more important than the way in which they are learnt.~~
- ~~11.~~
- 3.4. Definitions and explanations of the key terms used in the IESs are set out in and the Framework for International Education Pronouncements Standards for Professional Accountants are set out in the International Accounting Education Standards Board (IAESB) Glossary of Terms.**

Effective Date

- 4.5. 12.** This IES is effective from [a date to be determined by the IAESB but not before January 1, 2005.1st, 2015].

Professional Skills

- 13. Individuals seeking to become**

Objective (Ref Para A5)

The objective of an IFAC member body is to provide aspiring professional accountants should acquire with the following professional skills:

- ~~(f)~~ Intellectual skills;
- ~~(g)~~ Technical and functional skills;
- ~~(h)~~ Personal skills;
- ~~(i)~~ Interpersonal and communication skills; and
- ~~(j)~~ Organizational and business management skills.

~~14. Intellectual skills are often divided into six levels. In ascending order, these are: knowledge, understanding, application, analysis, synthesis (to combine knowledge from several areas, predict and draw conclusions) and evaluation. It is important that candidates have reached the highest levels at the point of qualification.~~

~~Intellectual skills enable a professional accountant to solve problems, make decisions and exercise good judgment in complex organizational situations. These skills are often the product of a broad general education. The **required** intellectual skills include the following:~~

- ~~(d) the ability to locate, obtain, organize and understand information from human, print and electronic sources;~~
- ~~(e) the capacity for inquiry, research, logical and analytical thinking, powers of reasoning, and critical analysis; and~~
- ~~(f) the ability to identify and solve unstructured problems which may be in unfamiliar settings.~~

~~15. Technical and functional skills consist of general skills as well as skills specific to accountancy. They include:~~

- ~~(f) numeracy (mathematical and statistical applications) and IT proficiency;~~
- ~~(g) decision modeling and risk analysis;~~
- ~~(h) measurement;~~
- ~~(i) reporting; and~~
- ~~(j) compliance with legislative and regulatory requirements.~~

~~16. Personal skills relate to the attitudes and behavior of professional accountants. Developing these skills helps individual learning and personal improvement. They include:~~

- ~~(g) self management;~~
- ~~(h) initiative, influence and self learning;~~
- ~~(i) the ability to select and assign priorities within restricted resources and to organize work to meet tight deadlines;~~
- ~~(j) the ability to anticipate and adapt to change;~~
- ~~(k) considering the implications of professional values ethics and attitudes in decision making; and~~
- ~~(l) professional skepticism.~~

~~17. Interpersonal and communication skills enable a professional accountant to work with others for the common good of the organization, receive and transmit information, form reasoned judgments and make decisions effectively. The components of interpersonal and communication skills include the ability to:~~

- ~~(h) work with others in a consultative process, to withstand and resolve conflict;~~
- ~~(i) work in teams;~~
- ~~(j) interact with culturally and intellectually diverse people;~~
- ~~(k) negotiate acceptable solutions and agreements in professional situations;~~
- ~~(l) work effectively in a cross-cultural setting;~~
- ~~(m) present, discuss, report and defend views effectively through formal, informal, written and spoken communication; and~~
- ~~(n) listen and read effectively, including a sensitivity to cultural and language differences.~~

~~5.6. 18. Organizational and business management skills have become increasingly important to professional accountants. Professional accountants are being asked to play a more active part in the day-to-day management of organizations. While previously their to perform a role might have been limited to providing the data that would be used by others, today, professional accountants are often part of the decision-making team. As a result, it is important that they understand all aspects of how an organization works. Professional accountants therefore need to develop a broad business outlook as well as political awareness and a global outlook. of a professional accountant.~~

~~Organizational and business management skills include:~~

- ~~(e) strategic planning, project management, management of people and resources, and decision making;~~
- ~~(f) the ability to organize and delegate tasks, to motivate and to develop people;~~
- ~~(g) leadership; and~~
- ~~(h) professional judgment and discernment.~~

General Education

~~19. All professional education programs should include some portion of general education.~~

~~20. A broad general education can contribute significantly to the acquisition of professional skills (see also IES 1, *Entry Requirements to a Program of Professional Accounting Education*). General education requirements vary greatly from program to program and from country to country. General education focuses on the development of non-professional knowledge, intellectual skills, personal skills, interpersonal and communication skills, and organizational and management skills.~~

~~21. A broad general education can encourage lifelong learning and provide a foundation on which to build professional and accounting studies. It may consist of:~~

- ~~(i) an understanding of the flow of ideas and events in history, the different cultures in today's world and an international outlook;~~
- ~~(j) basic knowledge of human behavior;~~
- ~~(k) a sense of the breadth of ideas, issues and contrasting economic, political and social forces in the world;~~
- ~~(l) experience in inquiry and evaluation of quantitative data;~~
- ~~(m) the ability to conduct inquiry, carry out logical thinking and understand critical thinking;~~
- ~~(n) an appreciation of art, literature and science;~~
- ~~(o) an awareness of personal and social values and of the process of inquiry and judgment; and~~
- ~~(p) experience in making value judgments.~~

~~22. A general education may be gained in a number of different ways and within different settings. General education may take place at any stage in a degree program with the balance of the program devoted to professional accountancy topics, including accounting, finance and related knowledge, organizational and business knowledge and information technology knowledge (see IES 2, *Content of Professional Accounting Education Programs*). General education may also be fully integrated into accountancy degree programs, with provision for the acquisition of key skills spread throughout the program.~~

~~23. Candidates may also take non-accountancy degrees and then acquire the necessary knowledge of professional accountancy subjects through studying for the examinations set by professional bodies.~~

~~Candidates may also acquire key skills through experience at work, combined with studying for the examinations. This combination would include elements of general knowledge and skills and thus develop the competence and capabilities, including the underlying technical knowledge, required to qualify as a professional accountant.~~

- ~~24. How these skills can be acquired may, therefore, differ from one IFAC member body to the next. Implementation of this IES depends on the cultural environment in which each body operates and the prevailing educational infrastructure. As a result, part of general education may be acquired during a broad and perhaps extended period of secondary education prior to higher education.~~

Requirements

Learning outcomes for professional skills (Ref Para A6-A8)

7. IFAC member bodies shall prescribe the learning outcomes that demonstrate the professional competence required of aspiring professional accountants by the end of IPD. For professional skills these learning outcomes shall, at a minimum, include those listed in Table A.

Table A: Learning Outcomes for Professional Skills

<u>Competence Area</u>	<u>Learning Outcomes</u>	<u>Minimum Level of Proficiency</u>
<u>(a)Intellectual</u>	<u>(i) Research and evaluate information from a variety of sources and perspectives and draw appropriate conclusions.</u>	<u>Advanced</u>
	<u>(ii) Identify, evaluate, and recommend solutions to unstructured, multifaceted problems.</u>	
	<u>(iii) Apply innovative and critical thinking to solving problems.</u>	
<u>(b) Personal</u>	<u>(i) Apply the principles of lifelong learning.</u>	<u>Intermediate</u>
	<u>(ii) Set high personal standards of delivery and monitor personal performance, through feedback from others and through reflection.</u>	
	<u>(iii) Evaluate professional commitments and manage time and resources for their achievement.</u>	
	<u>(iv) Proactively anticipate challenges and plan potential solutions.</u>	
	<u>(v) Display openness to new ideas and opportunities.</u>	
<u>(c) Interpersonal and communication</u>	<u>(i) Promote cooperation and teamwork, working towards organizational goals.</u>	<u>Intermediate</u>
	<u>(ii) Communicate clearly and concisely when presenting, discussing and reporting in formal and informal situations, both in writing and orally.</u>	
	<u>(iii) Use active listening and effective interviewing techniques.</u>	
	<u>(iv) Use negotiation skills to reach appropriate solutions and</u>	

<u>Competence Area</u>	<u>Learning Outcomes</u>	<u>Minimum Level of Proficiency</u>
	<u>agreements.</u>	
	<u>(v) Use consultative skills to minimize and resolve conflict in a work environment</u>	
	<u>(vi) Display sensitivity to cultural and language differences in all communication.</u>	
	<u>(vii) Present ideas and persuade others to provide support and commitment.</u>	
<u>(d) Organizational</u>	<u>(i) Undertake work assignments in accordance with established methodologies and within the prescribed deadlines.</u>	<u>Intermediate</u>
	<u>(ii) Review work to determine whether it complies with the organization's quality standards.</u>	
	<u>(iii) Use effective people management skills to motivate and develop others.</u>	
	<u>(iv) Use effective delegation skills to deliver work assignments.</u>	
	<u>(v) Demonstrate effective leadership skills.</u>	
	<u>(vi) Apply appropriate technology to work tasks.</u>	

Review of Professional Accounting Education Programs (Ref Para A11- A12)

8. IFAC member bodies shall regularly review and update professional accounting education programs that are designed to achieve the learning outcomes in this IES.

Assessment (Ref Para A13-A15)

9. IFAC member bodies shall establish appropriate assessment activities to assess the achievement of the professional skills of aspiring professional accountants.

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Explanatory Material

Scope of this Standard (Ref Para 1-4)

- A1. An aspiring professional accountant is an individual who has commenced a professional accounting education program as part of IPD. The inclusion of professional skills in IPD lays the base for the ongoing development and application of professional skills throughout the professional accountant's career. Not all professional skills may be fully developed by the end of IPD. Some may be the focus of Continuing Professional Development (CPD).
- A2. There are many different ways to describe and categorize professional competence. Within these IESs, professional competence is the ability to perform a role to a defined standard. Professional competence consists of technical competence, professional skills, and professional values, ethics, and attitudes. Each area of professional competence is further described by a set of learning outcomes in the relevant IES.
- A3. Professional skills may be described and categorized in many different ways. Within this IES, they are categorized into four competence areas:
- (a) Intellectual skills relate to the ability of a professional accountant to solve problems, to make decisions, and to exercise good judgment;
 - (b) Personal skills relate to the personal attitudes and behavior of a professional accountant;
 - (c) Interpersonal and communication skills relate to the ability of a professional accountant to work effectively with others; and
 - (d) Organizational skills relate to the ability of a professional accountant to work effectively with or within an organization to get the best from the people and resources available.
- A4. A competence area is a category for which a set of related learning outcomes can be specified. Competence areas within technical competence include financial accounting and reporting, taxation and economics; competence areas within professional skills include intellectual skills and organizational skills; and competence areas within professional values, ethics, and attitudes include ethical principles and professional skepticism and professional judgment.

Objective (Ref Para 6)

- A5. Requiring that aspiring professional accountants achieve learning outcomes that demonstrate appropriate professional skills serves several purposes. First, the public interest is protected, and the credibility of the profession is enhanced when only those who meet the profession's competence requirements are permitted to be professional accountants. Second, IFAC member bodies and regulatory authorities have a responsibility to ensure that professional accountants have the competence expected of them by the public, employers, and clients. Third, professional accountants have a continuing duty to maintain professional

competence to ensure that clients, employers, and relevant stakeholders, receive competent professional service.¹

Learning Outcomes for Professional Skills (Ref Para 7)

- A6. The requirements for professional skills are set out in the form of learning outcomes that establish the content and the depth of knowledge, understanding, and application required for each specified competence area.
- A7. The learning outcomes are the minimum to be achieved by aspiring professional accountants by the end of IPD, regardless of their intended future accounting specialization or role. The minimum learning outcomes are those that provide the base to enable professional accountants to develop specializations in different accounting roles, such as an audit engagement partner or taxation specialist.
- A8. Each learning outcome has been assigned a minimum level of proficiency that aspiring professional accountants are expected to demonstrate by the end of IPD. There are many ways to classify and to describe proficiency levels of learning outcomes. The classification developed by the IAESB is described in Appendix 1.
- A9. In professional accounting education programs, an IFAC member body may choose to increase the minimum level of proficiency for some learning outcomes, and may develop additional learning outcomes that are not specified in this IES. This may occur when an IFAC member body prepares professional accountants to work within a particular industry sector (for example, the public sector) or for a particular role (for example, a management accountant). The relative depth and weighting of the learning outcomes specified for any competence area may depend on the needs of individual IFAC member bodies and any requirements placed on them by regulatory authorities.
- A10. IFAC member bodies, educators, and other stakeholders are encouraged to identify the most appropriate approach to learning and development for professional skills, taking into consideration the national and cultural environment. In determining the approach to achieving the learning outcomes, the mixture of learning and development activities may include a combination of structured learning programs and practical experience. Mentors may play an important role in helping aspiring professional accountants to develop professional skills within the workplace.

Review of Professional Accounting Education Programs (Ref Para 8)

- A11. Professional accounting education programs are designed to support aspiring professional accountants to develop the appropriate professional competence by the end of IPD. They may consist of formal education delivered through degrees

¹ Professional Code of Conduct para 100.4 (c) Professional competence and due care.

and courses offered by universities, other higher education providers, IFAC member bodies, and employers, as well as workplace training. The design of the professional accounting education programs during IPD may therefore involve substantive input from stakeholders other than IFAC member bodies.

A12. The requirement to regularly review and update the professional accounting education program is a reflection of the rapidly changing complex environment within which professional accountants operate.

Assessment of Professional Skills (Para 9)

A13. IES 6, Initial Professional Development—Assessment of Professional Competence, provides the principles that apply to the design of assessment activities used to assess professional skills. Assessment activities are defined as those activities designed to assess elements of professional competence.

A14. Various assessment activities can be used by IFAC member bodies and other stakeholders to assess the professional skills of aspiring professional accountants. With emphasis on behavior and practical activities, professional skills typically lend themselves to workplace assessment rather than through written examinations. This may provide a challenge to achieving high levels of reliability, validity, equity, transparency, and sufficiency for a number of reasons, including:

- (a) The sufficiency of the assessment activities may depend on an opportunity for a particular professional skill to be demonstrated within the aspiring professional accountant's workplace;
- (b) The reliability of the assessment activities may vary if each assessment is conducted by a different assessor; and
- (c) The equity of assessment activities may vary since each assessment will be unique as it is defined by the particular circumstances within the workplace of the aspiring professional accountant.

A15. IFAC professional accountancy bodies may address the challenges of assessing professional skills, through careful design of their assessment activities, for example:

- (a) Detailed and clear specification of the learning outcomes being assessed to minimize ambiguity. This will also help to increase the transparency of the assessment;
- (b) Training of workplace assessors to achieve consistency between assessors;
- (c) Creation of work-based simulations to provide sufficient, equitable, and reliable assessments of professional skills; and
- (d) Coverage, where possible, of the professional skills within written examinations, for example, assessing the ability to identify, develop, and recommend solutions to unstructured, multifaceted problems.

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Appendix 1.
(Ref: Para A8)

Classification of Proficiency Levels for Learning Outcomes

The Classification of Proficiency Levels supports the IAESB’s use of learning outcomes in its publications such as, International Education Standards (IESs) 2, 3, 4, and 8. The classification includes descriptors of four levels of proficiency for learning outcomes. These descriptors will help to set learning outcomes to demonstrate technical competence, professional skills, and professional values, ethics, and attitudes in a variety of professional accounting roles and specializations. Examples of indicative verbs are also included to assist those who wish to develop additional learning outcomes.

In the present suite of IESs none of the learning outcomes are classified at Mastery level, however, this level has been included in the Classification in order to demonstrate the relative positioning of the Foundation through Advanced levels.

<u>Level of Proficiency</u>	<u>Description</u>
<u>Foundation</u> •	<p><u>Learning outcomes focus on:</u></p> <ul style="list-style-type: none"> • <u>Defining, explaining, summarizing, and interpreting the underlying principles and theories of relevant areas of technical competence to complete tasks while working under appropriate supervision;</u> • <u>Performing assigned tasks by using the appropriate professional skills;</u> • <u>Recognizing the importance of professional values, ethics, and attitudes in performing assigned tasks;</u> • <u>Solving frequently encountered problems and referring complex tasks or problems to supervisors or those with specialized expertise; and</u> • <u>Providing information and explaining ideas in a clear manner, using oral and written communications.</u> <p><u>Learning outcomes relate to work situations that are characterized by low levels of ambiguity, complexity, and uncertainty.</u></p> <p><u>Indicative verbs used to construct learning outcomes typically include: define, describe, distinguish, explain, identify, illustrate, interpret, list, perform, recognize, solve, state, summarize.</u></p>
<u>Intermediate</u> •	<p><u>Learning outcomes focus on:</u></p> <ul style="list-style-type: none"> • <u>Independently applying, comparing and analyzing underlying</u>

	<p><u>principles and theories from relevant areas of technical competence to complete work assignments and to make decisions;</u></p> <ul style="list-style-type: none"> • <u>Combining technical competence and professional skills to complete work assignments;</u> • <u>Applying professional values, ethics, and attitudes to work assignments;</u> • <u>Assessing, researching, and resolving complex problems with limited supervision; and</u> • <u>Presenting information and explaining ideas in a clear manner, using oral and written communications, to accounting and non-accounting stakeholders.</u> <p><u>Learning outcomes relate to work situations that are characterized by moderate levels of ambiguity, complexity, and uncertainty.</u></p> <p><u>In addition to those verbs used at the Foundation level, indicative verbs used to construct learning outcomes typically include: analyze, apply, calculate, classify, compare, consider, prepare, prioritize, produce, select.</u></p>
<p><u>Advanced</u></p>	<p><u>Learning outcomes focus on:</u></p> <ul style="list-style-type: none"> • <u>Selecting and integrating principles and theories from different areas of technical competence to manage and to lead projects and work assignments, and to make recommendations appropriate to stakeholder needs;</u> • <u>Integrating technical competence and professional skills to manage and to lead projects and work assignments;</u> • <u>Making judgments on appropriate courses of action drawing on professional values, ethics, and attitudes;</u> • <u>Anticipating, consulting appropriately, and developing solutions to complex problems and issues; and</u> • <u>Consistently presenting and explaining relevant information in a persuasive manner to a wide-range of stakeholders</u> <p><u>Learning outcomes at the advanced level relate to work situations that are characterized by high levels of ambiguity, complexity, and uncertainty.</u></p> <p><u>In addition to those verbs used at the Foundation and Intermediate levels, indicative verbs used to construct learning outcomes typically include: act, advise, anticipate, appraise, construct, design, develop, evaluate, integrate, lead, manage, negotiate, plan, recommend.</u></p>

<p><u>Mastery</u></p>	<p><u>Learning outcomes focus on:</u></p> <ul style="list-style-type: none"> • <u>Integrating technical competence, professional skills, and professional values, ethics, and attitudes to lead complex projects, to resolve complex problems, and to advise internal and external stakeholders;</u> • <u>Acting as a role model within the accounting profession by behaving in accordance with required professional values, ethics, and attitude;</u> • <u>Providing thought leadership in areas requiring experience and expertise; and</u> • <u>Communicating with impact to guide and to convince internal and external stakeholders at a senior level on vision and strategy of the organization or business.</u> <p><u>Learning outcomes at the mastery level relate to situations that are characterized by high levels of ambiguity, complexity, and uncertainty.</u></p> <p><u>Indicative verbs include all those listed for Foundation, Intermediate, and Advanced levels.</u></p>