

# ACCOUNTANCY EDUCATION BENCHMARKING STUDY

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*27 June 2017, Skopje*

**CFRR** >>

**Centre for Financial  
Reporting Reform**



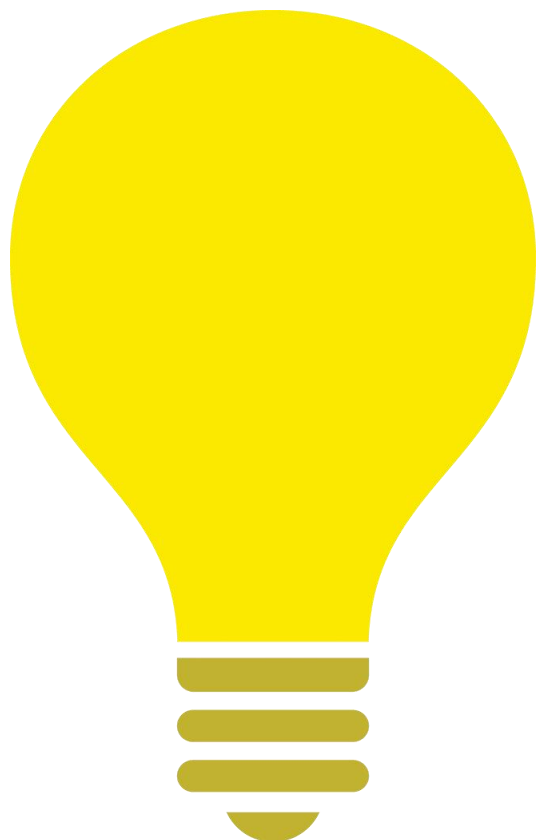
**WORLD BANK GROUP**  
Governance



Road to Europe: Program of Accounting  
Reform and Institutional Strengthening



**EU-REPARIS** is funded by the  
European Union and is a part of  
**WB EDIF.**



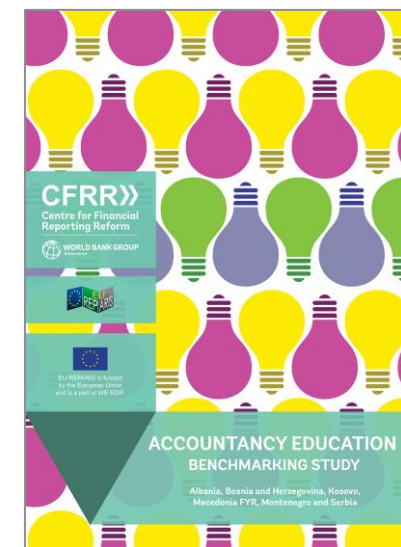
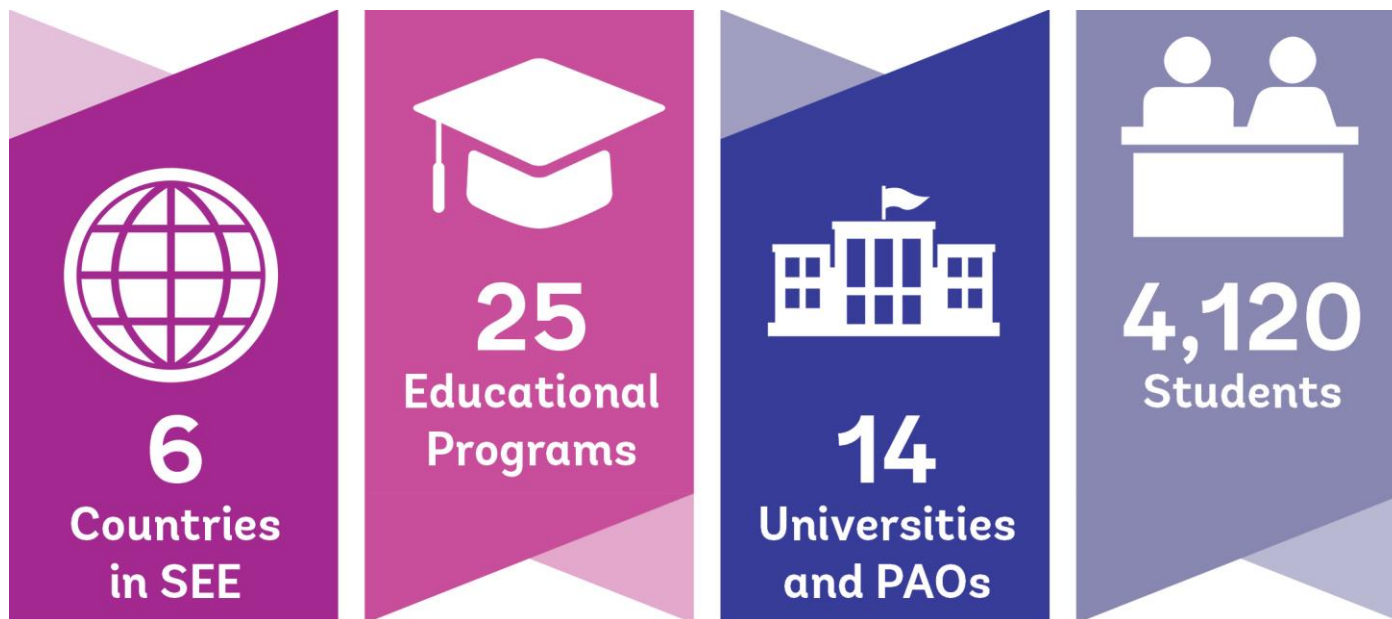
- » About the Study
- » Methodology and Approach
- » Practical Application and Benefits of Benchmarking
- » Cross Cutting Issues
- » Challenges with IES Implementation
- » Opportunities for Reform and Good Practices



# About the Study

# About the Study

- » All six Western Balkan countries of the EU-REPARIS Education CoP participated
- » The Study enabled an assessment of the accountancy education at both academic and professional levels
- » Not all, but some of the largest accountancy education providers were covered



# Objectives



Engaging in peer learning  
and regional knowledge  
exchange



Exploring synergies between  
academic and professional  
accountancy education



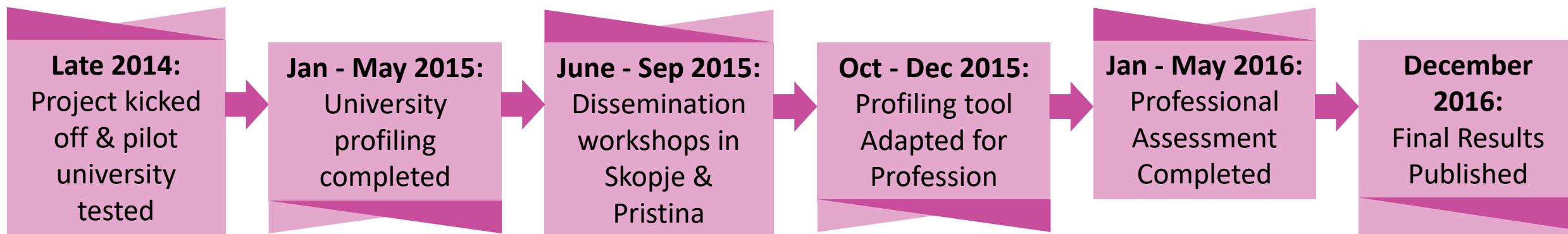
Implementing a learning  
outcomes-based approach in  
accountancy education



Assisting with international  
recognition and  
accreditation of national  
accountancy programs



# Project Timeline: 2 years long!



 Ongoing consultations and support from IAESB and IFAC staff





# Methodology and Approach

# Methodology and Approach



**Questionnaires**

**# 1**

Universities

**# 2**

Profession

Collected data to provide context to the broader accountancy education environment in the participating countries.



**Diagnostic  
“Profiling” Tool**

Integrated  
Sections for  
University &  
Profession

Map the curricula content, learning outcomes and proficiency levels of the accountancy programs and compare them against internationally-recognized benchmarks





# Methodology and Approach - Questionnaires

52 Questions collecting statistical information and providing further understanding about:

- Admission criteria
- Number of students enrolled at undergraduate and master's levels;
- Gender profiles;
- Number of professors, length of tenure and qualifications;
- Sources of funding;
- Post-graduate career paths;
- Student skills developed and tested;
- Teaching and learning methodologies
- Assessment (examination) methods;
- Learning resources and support facilities

71 Questions to collect statistical information and provide understanding about:

- Types of qualification offered;
- Number of aspiring members;
- Gender profiles;
- Sources of funding;
- Links with universities or other PAOs (national, regional and international);
- Practical experience requirements;
- Professional skills;
- Assessment of technical and professional competence;
- Type and quality of CPD.

# Profiling Tool - Benchmarks



IES

- Primary benchmark
- IES 2 Technical Competence
- IES 4 Professional Values, Ethics and Attitudes



ACCA

- Existing links with EU-REPARIS countries
- Existing links with academic programs
- Possibility for up to 9 exemptions

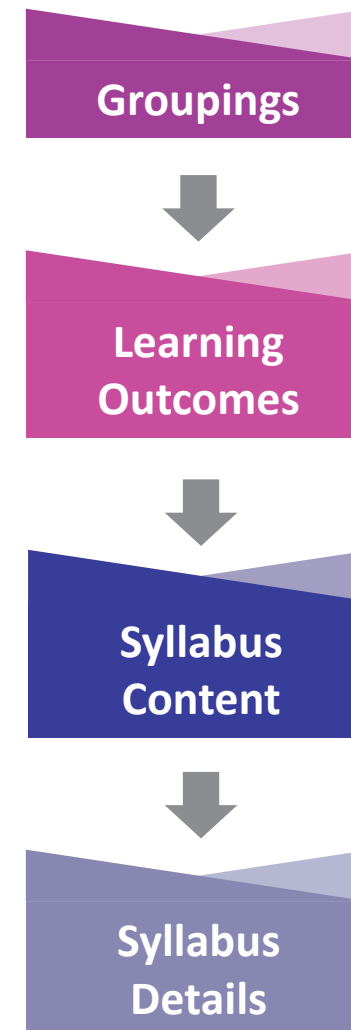


CIPFA

- Widely recognized qualification in public sector
- Existing links with EU-REPARIS countries
- Possibility for 6 exemptions

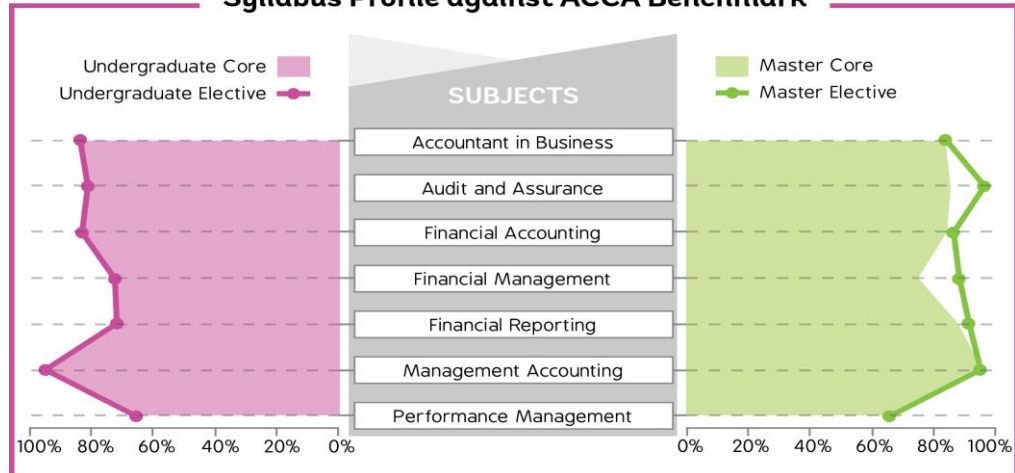
# Profiling Tool - Features

Full Syllabus Profile - Grouping		University (# of details)	Professional (# of details)
A	Management and Accounting	176	295
B	Management Accounting Techniques	171	179
C	Management and Ethics	88	174
D	Performance Management and Decision Making	101	223
E	Management Techniques	-	71
F	Financial Accounting Concepts	59	64
G	Recording Transactions and Events	147	149
H	Preparation of Financial Statements	90	156
I	Analysis and Interpretation of Financial Statements	28	34
J	Audit and Assurance Engagements	59	110
K	Audit Testing and Reporting	81	192
L	Principles of Financial Management	34	73
M	Financial Management Techniques	149	244
N	Strategy	-	85
<b>TOTAL</b>		<b>1,183</b>	<b>2,049</b>

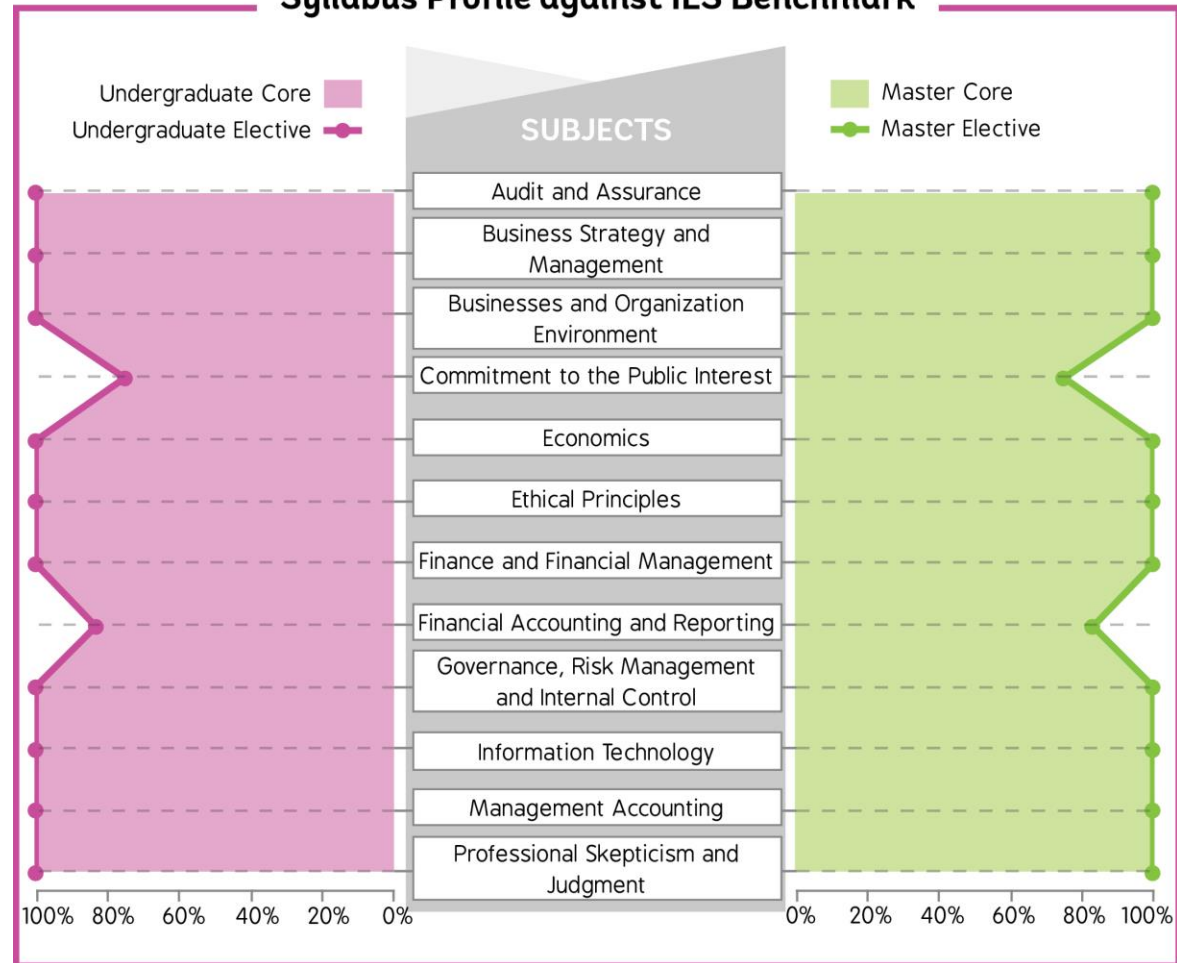


# Benchmarking Tool – University Analysis

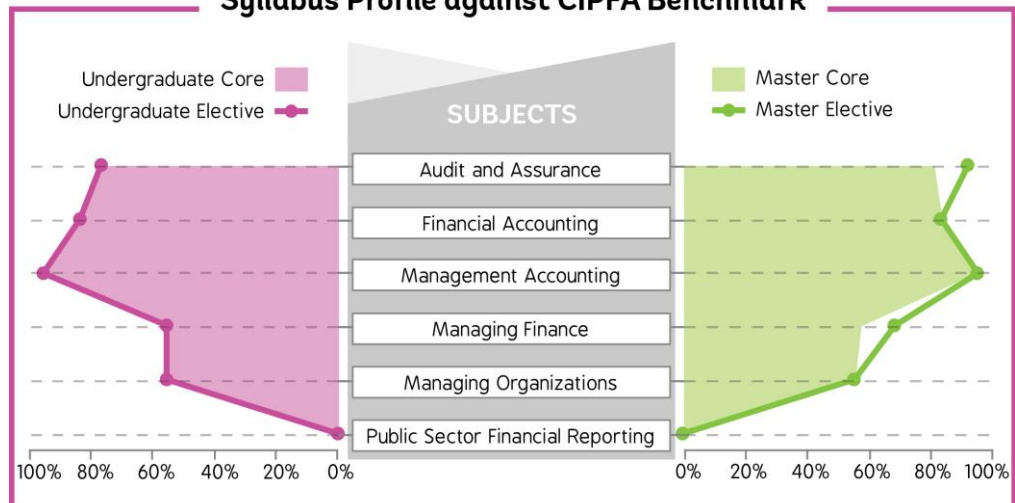
**Syllabus Profile against ACCA Benchmark**



**Syllabus Profile against IES Benchmark**

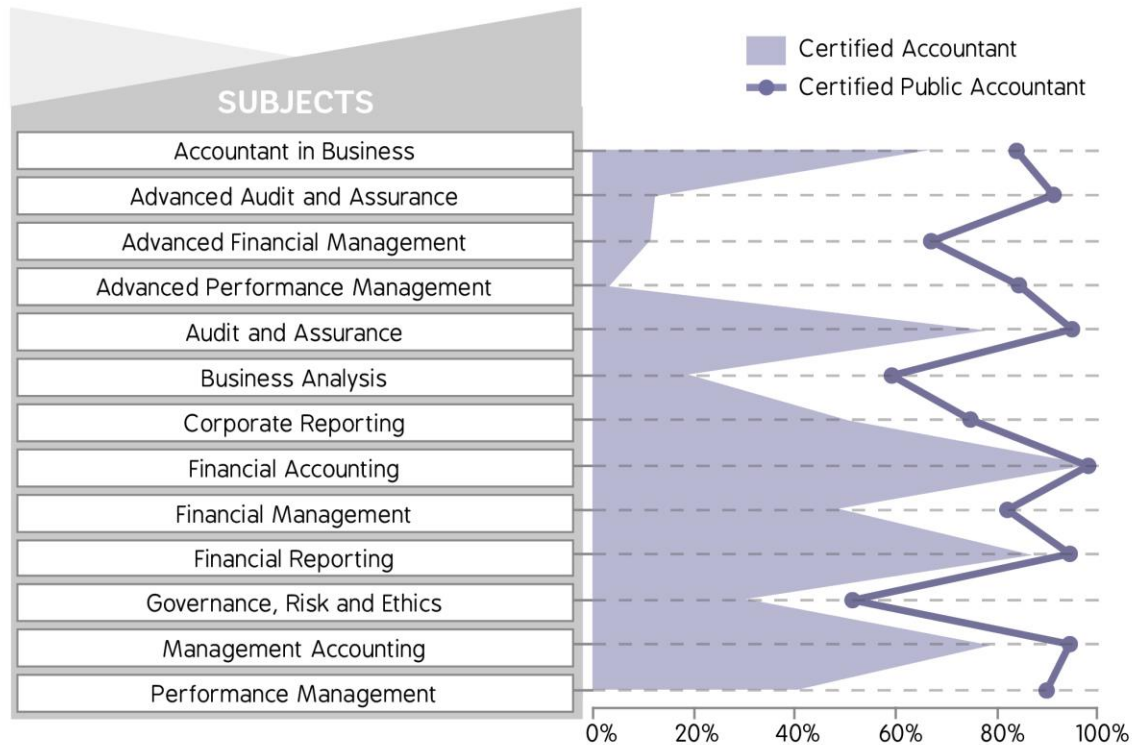


**Syllabus Profile against CIPFA Benchmark**

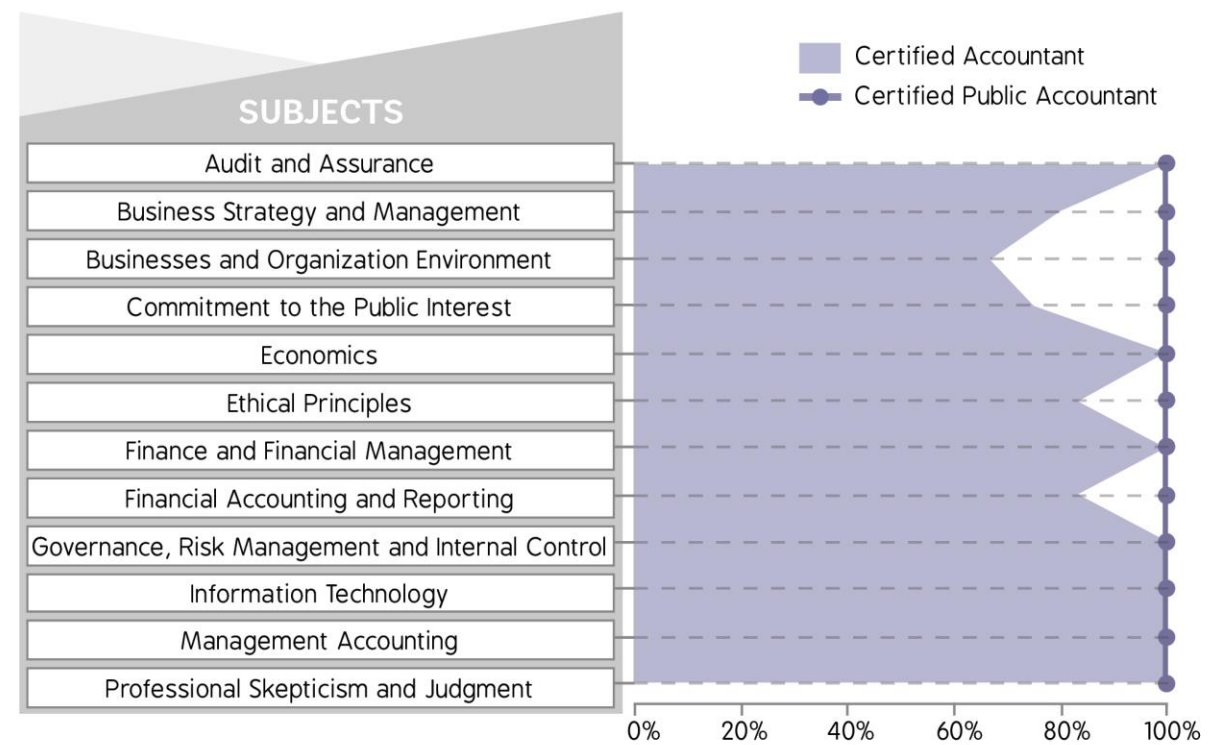


# Benchmarking Tool – Professional Analysis

## Syllabus Profile against ACCA Benchmark



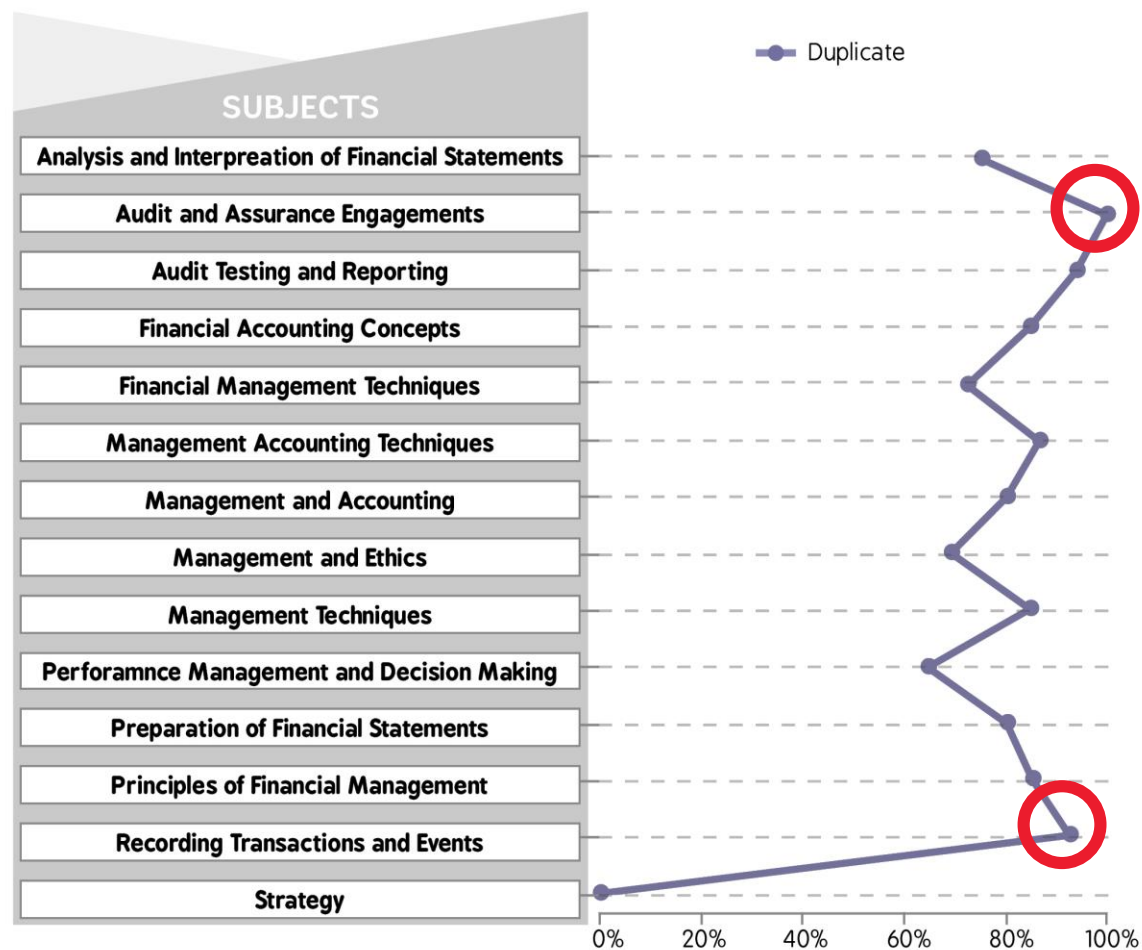
## Syllabus Profile against IES Benchmark



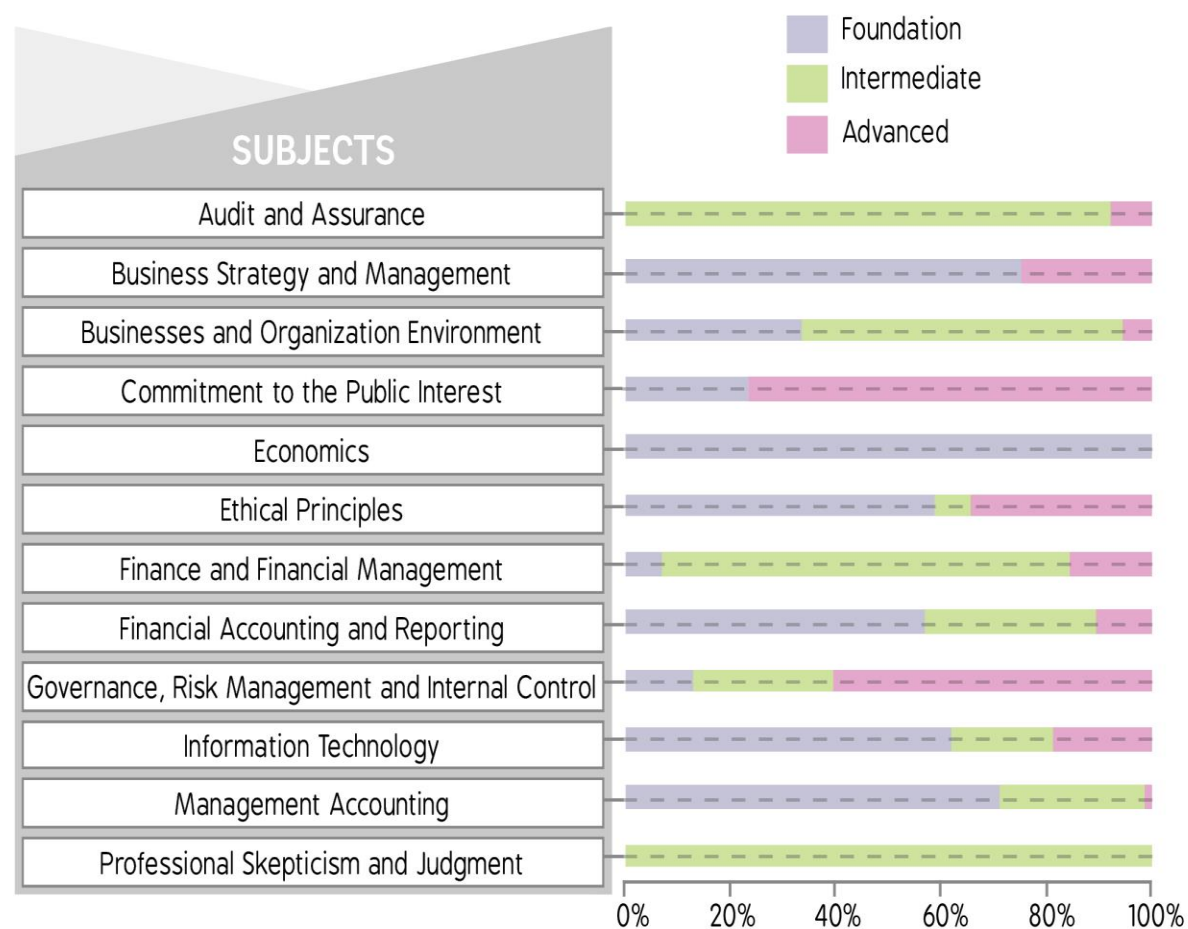


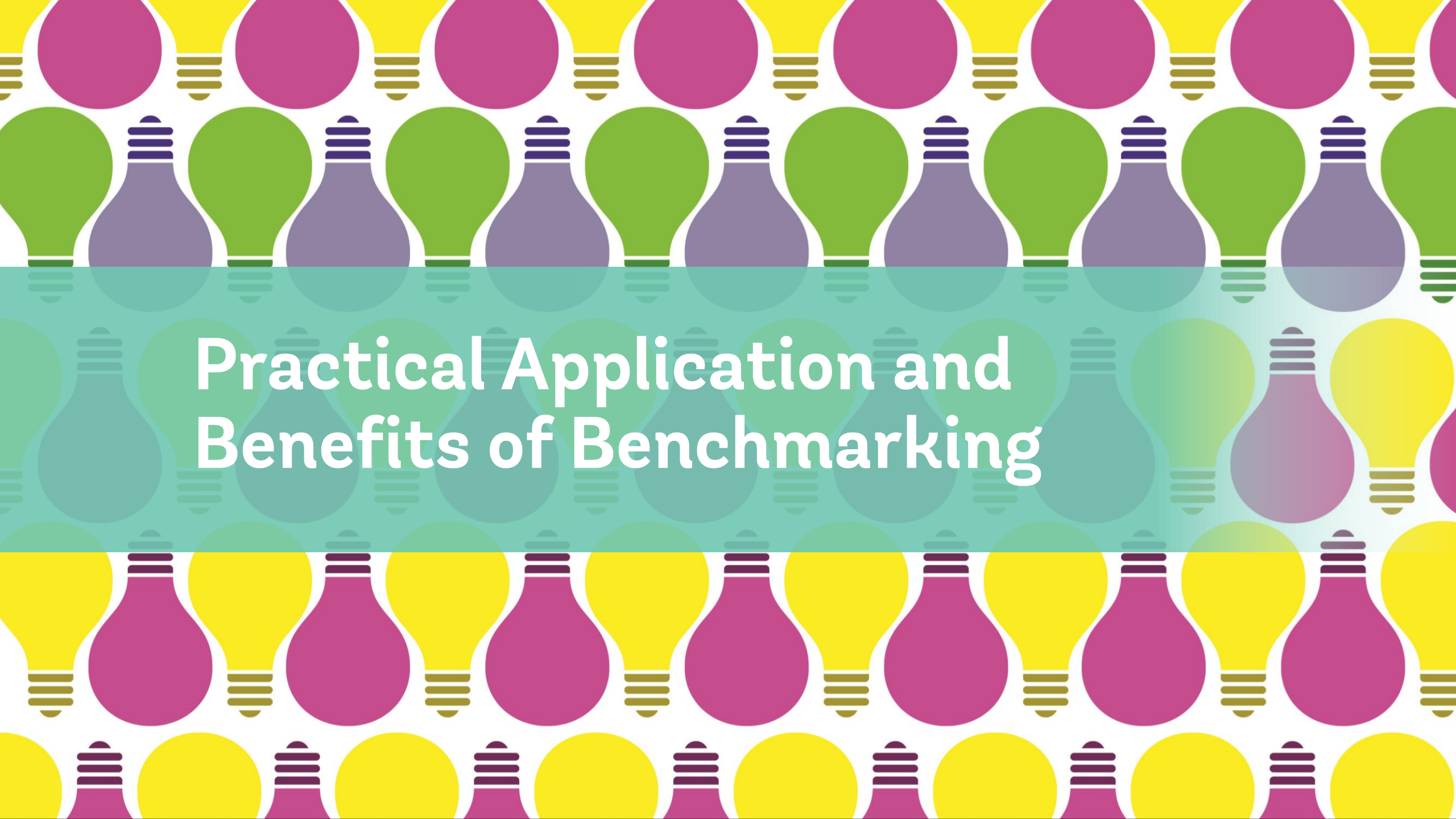
# Benchmarking Tool – Combined Analysis

## Syllabus Profile by Subject Area



## Syllabus Profile against IES Benchmark





# Practical Application and Benefits of Benchmarking

# Practical application of Education Benchmarking



Gap Analysis / Self assessment Tool

Baseline Assessment Tool



Decision making tool  
(university, policymakers, PAOs)

Diagnostic tool  
(e.g. input in ROSCs)



Schedules supporting syllabus content  
(e.g. for accreditations or international  
recognition)

- Benchmarking does not solve the problem – It defines the problem (e.g. highlights areas needing improvement)
- It is not an accreditation toolkit – but can provide support in producing accreditation documentation and verifiable schedules of syllabus content

# Perspectives

**Students**

**University**

**Employers**

**PAOs**

**Policymakers**

- Enables visibility of syllabus
- Assists decision-making during course selection (e.g. core vs. elective, undergraduate vs. master's program)
- Increased awareness of skills and knowledge required.

# Perspectives

**Students**

**University**

**Employers**

**PAOs**

**Policymakers**

- Highlights areas for improvement
- Possibility to compare programs
- Evidence to support an application for accreditation
- Analysis of gaps between academia and professional education
- Facilitates better linkage with PAOs (e.g. opportunities for exemptions)
- Tool to influence policymakers.



# Perspectives

Students

University

Employers

PAOs

Policymakers

- Better skills and work readiness of the next generation of accountants
- Improved recruitment base
- Employees acquire international proficiency in accounting

# Perspectives

**Students**

**University**

**Employers**

**PAOs**

**Policymakers**

- Self-assessment tool: shows to what extent the learning outcomes of a program compare with international benchmarks
- Gap analysis tool: aids conversion toward a learning outcomes approach required by IES
- Closes gaps between academia and professional bodies
- Supports comparability among different programs
- Evidence to support applications for recognition of qualifications
- Self-promotion tool used to attract new members to the profession



# Perspectives

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**Students**

**University**

**Employers**

**PAOs**

**Policymakers**

- Overview of the education system at the country level
- Tool to support effective education resource allocation decisions
- Resource for National Accreditation Bodies when assessing new accountancy programs
- Tool to aid development of competency frameworks.



# Cross Cutting Issues

# Cross Cutting Issues

- » Generalizing findings was very challenging as accounting systems differ in each country
- » Consideration was given to avoid “comparisons” but rather focus on good practices

## Cross Cutting Issues



Sources of  
Funding



Demand &  
Trends



International  
Recognition &  
Accreditation



Professional  
Values, Ethics  
& Attitudes



Resources &  
Capacity



Gender  
Profiles



Curricula  
Benchmarking



CPD



# Cross Cutting Areas



## Sources of Funding

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- » High reliance on public funding in some universities
- » Qualification programs are not the most significant source of income (exception of Kosovo)
- » Overreliance on certain sources of income (e.g. membership fees in some cases for example when PAO mandate secured in law)



## Resources & Capacity

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- » Salaries not always sufficient to retain and attract new staff
- » High number of hours for professors and sometimes high student to teacher ratios
- » Well qualified teaching staff but junior to senior staff mix not always optimal
- » Few permanent staff and most functions in education outsourced to part time consultants

# Cross Cutting Areas



## Demand & Trends

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- » Both Universities and PAOs reported stable or increasing demand for accountancy programs
- » Post graduation employment statistics lacking and in some cases low employment levels after graduates



## Gender Profiles

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- » Balanced ratio of male to female members of the profession in most places
- » PAOs' managing boards are dominated by males

# Cross Cutting Areas



## International Recognition & Accreditation

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- » Very few attempts for international accreditation
- » Professional bodies also have limited recognition of their programs abroad. Some attempts to enter into Memoranda of Understanding with recognized professional bodies abroad that enable a fast-track route to membership but these attempts are few.



## Curricula Benchmarking

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- » Weak integration between academic and professional accountancy education programs, despite the many similarities in curricula content and learning outcomes.
- » Lack of consistency in terms of regular updating of course content (ideally this should be every 3-5 years).

# Cross Cutting Areas



## Professional Values, Ethics & Attitudes

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- » In some cases ethics was not covered at all at certain progression levels of the certification program
- » In some places ethics was being offered as an elective course
- » Sometimes ethics was integrated in the curricula



## CPD

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- » CPD programs and requirements are in place and there is good coverage of accounting and auditing topics within CPD programs
- » Modernizing and improving the CPD systems are a major challenge for many PAOs



# Challenges with IES Implementation



# IES Implementation challenges

**Practical  
Experience**

**Professional values,  
ethics and attitudes**

**Output based  
approaches**

**CPD**

**Keeping up with  
change**

- Very often measured purely on length of time employed under supervision of qualified accountant, with no requirement to document skills and competencies
- Difficulties with sourcing qualified mentors and supervisors
- Lack of approved employer schemes

# IES Implementation challenges

Practical  
Experience

Professional values,  
ethics and attitudes

Output based  
approaches

CPD

Keeping up with  
change

- Ethics is sometimes not covered at all progression levels of professional certification programs or is an elective subject
- Textbook approach to teaching ethics – lack of case studies and other participative approaches

# IES Implementation challenges

Practical  
Experience

Professional values,  
ethics and attitudes

Output based  
approaches

CPD

Keeping up with  
change

- Input-based measurement for CPD and practical experience are dominantly applied
- There is a need to move toward output based systems that demonstrate more clearly that competences have been developed and maintained
- Introducing more workplace assessments

# IES Implementation challenges

Practical  
Experience

Professional values,  
ethics and attitudes

Output based  
approaches

CPD

Keeping up with  
change

- It is not the quantity but the quality of CPD that often presents an issue
- Modernizing delivery methods, more “soft skills” topics and further flexibility in the systems



# IES Implementation challenges

Practical  
Experience

Professional values,  
ethics and attitudes

Output based  
approaches

CPD

Keeping up with  
change

- Lack of resources to sustain and develop teaching materials
- Infrequent curricula update cycles – outdated syllabus



# Key Opportunities



# Key Opportunities

- » The Study identified a number of opportunities that can be explored in future accountancy education reforms
- » For each opportunity, the Study also proposes a few practical tips which, when combined with the good practices identified, can help accountancy education providers to seize the key opportunities and implement reforms.



## Opportunity # 1

**Integrate academic and professional accountancy education**



## Opportunity # 2

**Achieve greater international integration of programs**



## Opportunity #3

**Expand the offerings of public sector education**



## Opportunity # 4

**Enhance CPD systems and training programs**



## Opportunity # 5

**Improve practical experience requirements and workplace assessments**

# Opportunity #1: Integrate academic and professional accountancy education

» Low level of integration between academic and professional programs

## Tips & Ideas

- Develop a common policy and competency framework to underpin academic and professional education programs;
- Understand gaps between academic and professional streams (e.g. by mapping competencies and learning outcomes to proficiency levels);
- Develop a system of mutual exemptions and recognition between the academic and professional streams;
- Partner with leading education providers to use up to date and high quality teaching materials and resources;
- Engage with private sector employers to understand required skills and incorporate them into education programs and competence frameworks.

## Opportunity #2: Achieve greater international integration of programs

» There is potential for qualifications to become internationally marketable - they become more appealing to potential applicants and attract new talent to the profession.

### Tips & Ideas

- Universities may pursue international accreditation as part of a **strategy to expand and raise their profiles**;
- Universities can **engage in twinning and joint programs** with recognized EU-based universities;
- **Partner and twin with international PAOs** to enable knowledge sharing and achieve better international integration; and
- Engage with international PAOs to introduce a more structured **system of mutual recognition and exemptions** offering candidates a faster route to international membership.

## Opportunity #3: Expand the offerings of public sector education

» Developing the public sector education offering is beneficial for both universities and PAOs as up to 25% of graduates and sizable membership work in public sector

### Tips & Ideas

- Introduce **CPD training** tailored for accountants in the public sector;
- Work with **government employers** to help identify the content and scope of new qualifications and CPD programs;
- **Develop public sector certification programs.** A possible cost effective approach could be to develop a set of public sector papers on top of the core accountancy qualification;
- University programs to include a **greater focus on public sector accounting and reporting** including IPSAS.

## Opportunity #4: Enhance CPD systems and training programs

» Modernizing CPD delivery is both a challenge and opportunity for many PAOs

### Tips & Ideas

- Periodically assessing competences developed through CPD and introduce output-based measurement systems;
- Resolving capacity constraints by outsourcing CPD delivery to international network accounting firms and international experts;
- Introducing minimum ethics content in annual CPD;
- Introduce a variety of options for CPD activities and modern methods of delivery;
- Develop more frequent and focused CPD training offerings, including activities to develop professional skills, as well as professional values, ethics and attitudes;
- Introduce an accreditation system of CPD providers.

## Opportunity #5: Improve practical experience requirements and workplace assessments

- » University programs in the region are still too theoretical.
- » Many PAOs perform an assessment of the achievement of the practical experience purely based on length of time employed with an audit firm without requiring a deeper look at the skills and competences developed.

### Tips & Ideas

- Involving practitioners in the delivery of more practical lectures;
- Creating a network of internship opportunities and making internships a minimum requirement for graduation; and
- Providing employment databases to help with post-qualification opportunities;
- Using work log books to assess the quality of work experiences;
- Create a database of supervisors to help mentor candidates;
- Receive feedback from employers and business support organizations to ensure that skills-gaps are being identified and addressed through education and qualifications;
- Stress-test competency maps with potential employers



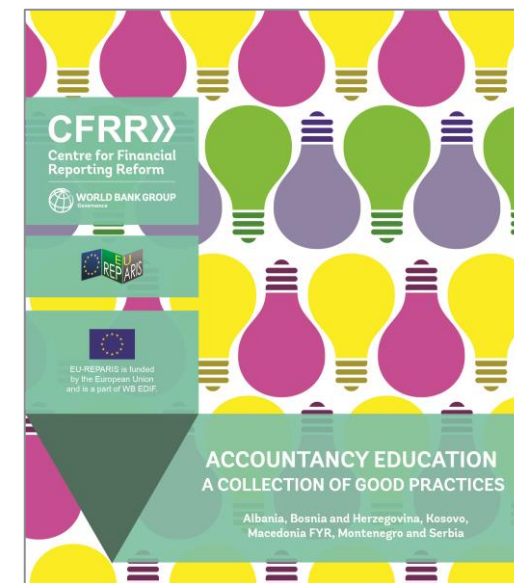


# Good Practices

# Good Practices

» The regional study highlighted a number of good practices implemented by universities and PAOs. These were cataloged in a side publication under 5 thematic

-  **1 Focus on Practical Experience**
-  **2 Commitment to Lifelong Learning**
-  **3 Assessment of Professional Competence**
-  **4 Supporting a Quality Learning Environment**
-  **5 Collaboration and Partnerships**



# Good Practices – Examples from Macedonia



Ss Cyril and Methodius University in Skopje,  
Faculty of Economics-Skopje

## » Supporting the student learning process and talent recruitment through partnerships

- » In cooperation with an international accounting firm is implementing a program to develop young potential
- » Business competition where students work in groups to develop a solution to simulated practice problem
- » Aims to help students learn, make the profession more attractive to multidisciplinary students and help the international firm recruit talent



Institute of Certified Auditors of the Republic of  
Macedonia (ICARM)

## » Integrated CPD and Quality Assurance Review systems

- » QAR findings feed into CPD annual program (e.g. areas of frequent findings)
- » Target audience to receive specific or additional CPD is identified during QARs

## » Resolving capacity constraints by outsourcing CPD delivery

- » Engaging international network accountancy firms
- » Inviting international experts through its cooperation with French professional bodies

# Good Practices – Examples from Macedonia



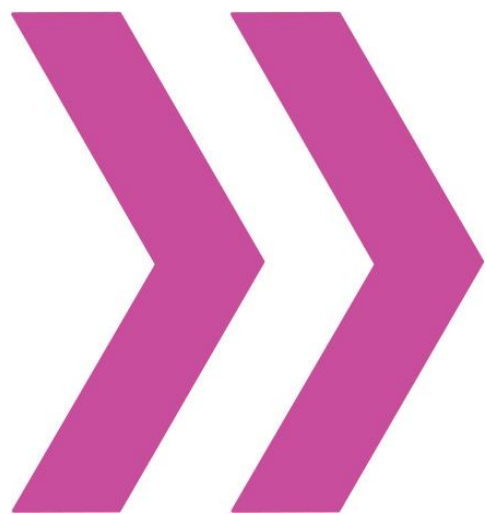
## Institute of Certified Auditors of the Republic of Macedonia (ICARM)

- » Twining arrangements and partnership with developed PAOs and academic institutions
  - » Twining project with the French Professional Bodies grew into an ongoing partnership
  - » ICAM today benefits from the French Profession support, support to IFAC membership, support during quality assurance, exchange of professional tools and know-how
  - » American College Skopje and ICARM entered into an agreement for academic support, including exchange of information and experts while delivering joint lectures and CPD programs



## Institute of Certified Auditors of the Republic of Macedonia (ICARM)

- » Introducing a system of independent oversight to ensure the integrity of the professional
  - » Examination committee responsible for delivering exams and establishing examination rules includes representative from the Public Oversight Board
  - » Examination Oversight Committee responsible to ensure the integrity of the examinations includes two members from the Ministry of Finance



Thank you

