Improving competencies for accountants: Leveraging CFRR publications & resources

Presented by:
Alfred Borgonovo, Senior Financial Management Specialist, CFRR, World Bank

11 June 2020

STAREP EduCoP
Agenda

A. Workshops
B. Publications
C. Resources and tools
Learning Objectives

» Review the workshops that took place under the STAREP Program
» Understand the purpose and usefulness of documentation published
» Become familiar with the resources and tools
A. The Workshops
The Regional STAREP Workshops

» 1-2 April 2014: Chisinau, Moldova
  » “Education for opportunity: Supporting Universities in Achieving Academic Excellence”

» 8-9 October 2014: Tbilisi, Georgia
  » “Education for opportunity: Starting the process of change”

» 25-26 February 2015: Kiev, Ukraine
  » Education for opportunity: Developing the Accounting Curriculum for Universities”

» 20-21 May 2015: Baku, Azerbaijan
  “Education for opportunity: The Bachelor Degree, a Foundation for Professional Education”
The Regional STAREP Workshops

» 18-20 November 2015: Kiev, Ukraine
   » “Regional Framework-based IFRS Teaching Workshop” – Michael Wells
   » “From Diagnostic to Reform: Leveraging the Profiling Tools to enhance University and Professional Accounting Education”

» 28 April 2016: Vienna, Austria
   » “Professional Accountancy Organizations - Regional Forum”

» 15-16 June 2016: Yerevan, Armenia
   » “Past Achievements and Future Directions”

» 11-12 October 2016: Minsk, Belarus
   » National initiatives for strengthening accounting education”
The Regional STAREP Workshops

» 30 May 2017: Vienna, Austria
  » “Strategies for Greater Compliance with International Standards”

» 28 November 2017: Virtual seminar
  » “Implementing Competency based accounting education & training – the fundamentals”

» 28-29 November 2018: Vienna, Austria
  » “Implementing Competency based accounting education & training – strategies & tools”

» 25-26 May 2019: Bucharest, Romania
  » “Improving Competencies and Assessment Methods for Accountants: Learning from the experience of advanced institutions”

» 11 June 2019: Virtual seminar
  » Improving competencies for accountants: leveraging the ACCA partnership program to improve curriculum, teaching and assessment methods”
The Workshop topics

» International Financial Reporting Standards
» International Education Standards
» Updates and presentations by IFAC
» Presentations by lecturers from UK, US, Austria, Canada, etc…
» International accreditation of Programs
» Competency Based Education / Learning Outcomes approach
» Examinations
The Workshop formats

» Presentations by experts

» Activities by members of the EDUCOP
   » During workshops
   » Between workshops

» Development of tools to support EDUCOP

» Production of resources to support the EDUCOP members
B. The Tools
The benchmarking tool and studies

<table>
<thead>
<tr>
<th>Learning Objective/Main Capabilities</th>
<th>Level</th>
<th>Uni</th>
<th>Prof</th>
<th>Audit</th>
<th>Total</th>
<th>0</th>
<th>Course/Module Name</th>
<th>Level</th>
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</thead>
<tbody>
<tr>
<td>A1. Understand the purpose and types of businesses and how they interact with key stakeholders and the external environment.</td>
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<td>1. The purpose and types of business organisation</td>
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<td>a) Define ‘business organisations’ and explain why they are formed</td>
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<td>b) Describe common features of business organisations</td>
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<td>c) Outline how business organisations differ</td>
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<td>2. Stakeholders in business organisations</td>
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<tr>
<td>a) Define stakeholders and explain the agency relationship in business and how it may vary in different types of business organisation</td>
<td>A</td>
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<tr>
<td>b) Define internal, connected and external stakeholders and explain their impact on the organisation</td>
<td>A</td>
<td>1</td>
<td>1</td>
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<tr>
<td>c) Identify the main stakeholder groups and the objectives of each group</td>
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<tr>
<td>d) Explain how the different stakeholder groups interact and how their objectives may conflict with one another</td>
<td>A</td>
<td>1</td>
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<tr>
<td>e) Compare the power and influence of various stakeholder groups and how their needs should be accounted for, such as under the Mendelow framework</td>
<td>A</td>
<td>1</td>
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Professional/audit qualification divided into specific papers/modules and documented as part of the Education Programme of the national professional association in accordance with IFAC Statement of Members Obligations (SMOs)
Average Profile across the Region

### Syllabus Profile against ACCA Benchmark

<table>
<thead>
<tr>
<th>ACCA Paper</th>
<th>Subject</th>
<th>Actual</th>
<th>Population Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1</td>
<td>Accountant in Business</td>
<td>86%</td>
<td>80%</td>
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<tr>
<td>F2</td>
<td>Management Accounting</td>
<td>98%</td>
<td>80%</td>
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<tr>
<td>F3</td>
<td>Financial Accounting</td>
<td>100%</td>
<td>80%</td>
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<tr>
<td>F5</td>
<td>Performance Management</td>
<td>67%</td>
<td>80%</td>
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<tr>
<td>F7</td>
<td>Financial Reporting</td>
<td>92%</td>
<td>80%</td>
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<tr>
<td>F8</td>
<td>Audit and Assurance</td>
<td>39%</td>
<td>80%</td>
</tr>
<tr>
<td>F9</td>
<td>Financial Management</td>
<td>67%</td>
<td>80%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>81%</td>
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</table>
Syllabus coverage across the STAREP Region (Common Core)

F1 Accountant in Business
F2 Management Accounting
F8 Audit and Assurance
C. The Publications
EDUCOP PUBLICATIONS


» Common Core Curriculum – English and Russian

» National Education Initiatives
    » Armenia
    » Azerbaijan
    » Belarus
    » Georgia
    » Moldova
    » Ukraine
    » + Similar publications for Serbia and Kyrgyz Republic

» STAREP Education Study – expected by September 30th, 2020
C. The Resources
EDUCOP RESOURCES

» Competency-based accounting education, training, and certification (CBAETC) Guide
  » In English and Russian
  » [Link](https://openknowledge.worldbank.org/handle/10986/31701)
  » [Link](https://openknowledge.worldbank.org/bitstream/handle/10986/31701/9781464815621.pdf)

» Competency-based accounting education and assessment materials (CBAEM) Guide
  » Drafts in English and Russian

» Continuing Professional Development Guide for Professional Accountancy Organizations
  » In English only at the moment (developed under STAR-CFR Serbia)
  » [Link](https://cfrr.worldbank.org/publications/continuing-professional-development-programs-accountants-implementation-guide)
Competency-based accounting education, training, and certification (CBAETC) Guide
Who is the *Guide* for?

» Everyone responsible for accounting education, training, or certification

» Universities, PAOs, Training Institutions, Policy-makers/Regulators, etc.

» Universities and Training Institutions: *Support the foundations* of competence

» PAOs: Required to *ensure member competence*

» Policy-makers/Regulators: *Codify* competence requirements
The purpose of the Guide is to:

» Convey the essential features of competency-based accounting education, training, and certification (CBAETC);

» Support understanding of the gap between current competence levels and necessary levels;

» Assist countries to develop in-country plans and to implement in-country processes that produce accountants with higher-order skills relevant to their economies’ rapidly evolving needs;

» Support improvement in financial reporting, auditing, and regulation.
CBAETC Guide Part II: Overview of the Journey

Stage 0
Evaluate readiness and resources

Stage 1
Establish the Competency Framework

Stage 2
Evaluate the current program to determine gaps

Stage 3
Design and develop an expanded program

Stage 4
Implement the expanded program
CBAETC Guide Part II: Overview of the Journey

Stage 0

Evaluate readiness and resources

A
Review the regulatory environment

B
Evaluate current availability and maturity of resources and expertise

C
Set preliminary budget
CBAETC Guide Part II: Overview of the Journey

Stage 1

Establish the Competency Framework

COMPETENCY FRAMEWORK

COMPETENCY DOMAINS
- e.g., Financial Accounting, Audit, Strategy, Communications

COMPETENCY STATEMENTS

LEVELS OF PROFICIENCY
- e.g., “Develops the audit plan” at Level “B”

KNOWLEDGE TOPICS
- e.g.,
  - ISA 300
  - Materiality
  - Scope and timing
Stage 2
Evaluate the current program to determine gaps

A
Evaluate the current status

B
Understand the gaps between the current status and desired outcomes
Stage 3
Design and develop an expanded program

A
Determine scope

B
Design new elements and map competencies

C
Develop new program elements and update mappings

D
Train instructors and trainers
CBAETC Guide Part II: Overview of the Journey

Stage 4

- Implement the expanded program

A
- Plan and deploy resources

B
- Run pilot/initial offerings

C
- Evaluate and adjust
Competency-based accounting education and assessment materials (CBAEM) Guide
The purpose of the *Guide* is to:

» Be used as a companion to the competency-based accounting education, training, and certification Guide (CBAETC);

» This Guide takes a narrower scope, focusing on providing in-depth direction to educators on how to develop quality education and assessment materials within the context of competency-based education.
The complete resource package will be made up of:

» **Course Materials** for tertiary-level instructors to use in the classroom; and

» A comprehensive **Capstone Business Case** for use by the PAO

» A **Pedagogical Toolkit** for each course and the Capstone Business Case, to help instructors/PAOs gain proficiency in developing and using quality education materials and assessments
Training Materials
Continuing Professional Development Guide for Professional Accountancy Organizations
International Education Standards

Entry to Professional Education
IES 1

Required Education
IES 2
IES 3
IES 4

Assessment of competence
IES 6

Professional Qualification

Practical Experience
IES 5

Continuing Professional Development
IES 7

Engagement Partners
IES 8
CPD Framework

Self-assessment

Revise Plan

Plan CPD

CPD Framework

Reflexive activity

Complete and record CPD
CPD Framework

- Standards
- Strategy
- Policies
- Content
- Admin.
- Effectiveness
Next steps: “Everything changes and nothing stands still”
Conclusion

“The balancing of books still provides a dramatic language of financial morality, with numbers telling stories of riches and ruins, or hiding them”.

Jacob Soll “The Reckoning: Accountability and the Rise and Fall of Nations”
Thank You!!