

CPD FRAMEWORKS

The International Accounting Education Standards Board (IAESB) has developed a set of guidance material to support consistency of understanding, adoption and implementation of the principles and requirements of International Education Standard 7, *Continuing Professional Development (Revised)* (“IES 7 (Revised)”).

The purpose of this implementation support material is to promote better understanding of the Continuing Professional Development (CPD) framework concept introduced in IES 7 (Revised).

Background:

IES 7 (Revised) continues to require professional accountants, regardless of sector or size of the organization in which they operate, to undertake relevant CPD to develop and maintain professional competence necessary to perform their role as a professional accountant.

The IAESB expects that the revision of IES 7 will enhance accountability in building and improving the quality, effectiveness, and consistency of professional accounting education through CPD, and as a result, the competence of professional accountants. The incorporation of the concept of a CPD framework in IES 7 (Revised) is one reason the IAESB expects the revision of IES 7 will accomplish these broad goals:

Acknowledging that professional accountants have differing learning and development needs, IFAC member bodies may develop CPD frameworks that can provide structure, guidance, or explanation of concepts in order to support the learning and development of professional accountants. CPD frameworks may help professional accountants identify, undertake, and record relevant CPD.¹

The Value of CPD Frameworks:

International Education Standards (‘IESs’) 7 and 8 establish that professional accountants undertake relevant CPD to develop and maintain professional competence necessary to perform their role as a professional accountant. This serves several purposes. It helps protect the public interest, supports the performance of high quality services for clients, employers, and other stakeholders, and promotes the credibility of the accountancy profession.²

A common challenge for programs of CPD across many industries, including the accountancy profession, is the perception that CPD is a ‘compliance exercise.’ When professional accountants do not perceive that CPD is an important aspect of lifelong learning that helps them develop and maintain professional competence, the quality and consistency of CPD undertaken by professional accountants suffers, and the likelihood that CPD will sufficiently serve its several purposes is diminished.

While there is not a universal CPD schema or program framework, some industries include a CPD framework or cycle in their CPD policies or guidance to help overcome the perception that CPD is a

¹ IES 7 paragraph A10.

² IES 7 paragraph A7.

'compliance exercise'. The IAESB studied CPD schemas and program frameworks included in the CPD literature of other professions when developing the example CPD framework included in IES 7 (Revised).

Specifically, when a CPD framework includes elements of self-assessment and reflective activity as part of its cyclical structure for CPD, it enables professional accountants to better connect CPD with the responsibilities of their role. This will improve the extent to which their CPD protects the public interest, supports the performance of high quality services for clients, employers and other stakeholders, and promotes the credibility of the accountancy profession.

Considerations for Establishing a CPD Framework:

Within the context of IES 7 (Revised), a CPD framework provides structure, guidance, or explanation of concepts in order to support the learning and development of professional accountants.³ While not a requirement of IES 7 (Revised), the IAESB believes CPD frameworks best achieve their objectives when the following activities, at least, are incorporated into the framework:

Figure 1

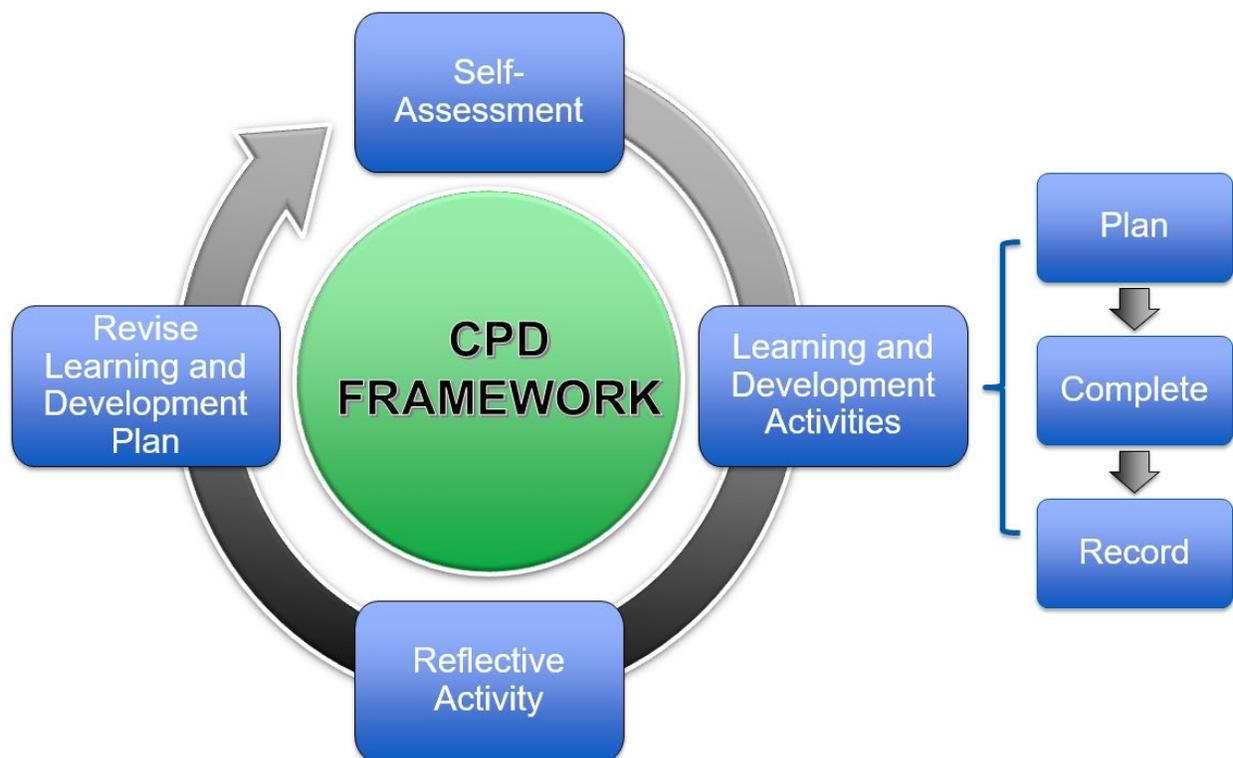


Figure 1 illustrates how CPD activities might be assembled into a cyclical framework.

³ IES 7 paragraph A10.

Self-Assessment – a professional accountant performs a self-assessment of their professional competence to identify personal development gaps and related learning outcomes.

When undertaking self-assessment activities, a professional accountant may consider a variety of sources of information to help them identify personal development gaps and related learning outcomes, including but not limited to the following:

- the responsibilities of the role they perform as a professional accountant;
- the responsibilities of a role they aspire to achieve as a professional accountant;
- performance feedback from employers and customers;
- relevant competency maps and role descriptions provided by employers or professional accounting organizations;
- relevant statutory and legal requirements for CPD; and
- changes in processes, technology, professional standards, regulatory requirements, employer demands, or other areas that impact the CPD needs of the professional accountant.

While not a requirement of IES 7 (Revised), it is beneficial to have professional accountants document their self-assessment activities as part of their CPD record. Such documentation will support CPD measurement and monitoring processes by helping IFAC member bodies understand what is relevant for individual professional accountants.

Learning and Development Activities – a professional accountant plans for, completes and records learning and development activities undertaken to address personal development gaps and achieve related learning outcomes.

Within the context of IES 7 (Revised), CPD is learning and development that takes place after Initial Professional Development (IPD), and that develops and maintains professional competence to enable professional accountants to continue to perform their roles competently. CPD includes learning and development activities that are relevant to the roles of professional accountants, such as: (a) education, (b) training, (c) practical experience, (d) mentoring and coaching, (e) networking, (f) observation, feedback, and reflective activities, and (g) self-development activities.⁴

The concept of planning for CPD is included in this example framework to illustrate how self-assessment activities can be connected to relevant learning and development activities. For example, a professional accountant identifies a development need and then plans how to address that need with a specific learning and development activity.

IES 7 (Revised) includes examples of planned and unplanned learning and development activities that could contribute to a professional accountant's CPD. From the perspective of the professional accountant, some learning and development activities may be unplanned. This may occur when the CPD framework steps for performing self-assessment to identify a development need, planning for a learning and development activity, and completing the learning and development activity are initiated

⁴ IES 7 paragraph 2.

by someone other than the professional accountant and occur in quick succession. For example, receiving on-the-job coaching or mentoring may be initiated in a spontaneous manner by a supervisor, who identifies a development need for the professional accountant and then immediately coaches or guides the professional accountant through that development need.

Reflective Activity – a professional accountant undertakes reflective activity to evaluate whether completed learning and development activities addressed personal development gaps and achieved related learning outcomes such that the professional accountant has developed and maintained their professional competence.

When undertaking reflective activities, a professional accountant will consider a variety of sources of information to help evaluate whether completed learning and development activities helped them address personal development gaps and achieve related learning outcomes, including but not limited to the following:

- whether the professional accountant believes they can perform their role to the standard defined by their employer or customers;
- whether the professional accountant believes they can perform the responsibilities for a role they aspire to achieve, to the standard defined by their employer or customers;
- performance feedback from employers, customers, peers, direct reports, etc.;
- relevant competency maps and role descriptions provided by employers or professional accounting organizations; and
- changes in processes, technology, professional standards, regulatory requirements, employer demands, or other areas that impact the CPD needs of the professional accountant.

While not a requirement of IES 7 (Revised), it is beneficial to have professional accountants document their reflective activities as part of their CPD record. Such documentation may support CPD measurement and monitoring processes by helping IFAC member bodies understand the extent of relevant CPD needed for individual professional accountants.

Revise learning and development plan – a professional accountant revises their learning and development plan based on the outcomes of their reflective activity.

A professional accountant who takes actions to revise their learning and development plan based on the results of their CPD reflective activity, will realize the most benefits from using a CPD framework.

When a professional accountant completes reflective activities and concludes that their learning and development plan has been accomplished, the professional accountant may choose to start a new cycle of CPD by undertaking a new set of self-assessment activities.

When a professional accountant completes reflective activities and concludes that aspects of their development plan were not accomplished (e.g., the professional accountant concludes a learning and development activity did not help him or her achieve all intended learning outcomes), the professional accountant will:

- Plan for and complete additional learning and development activities as part of the existing CPD cycle; or
- Include the incomplete aspects of the learning and development plan in their next round of self-assessment activities (i.e., incomplete development needs from the previous cycle are pulled forward as identified development needs in the next cycle).

This document was prepared by the International Accounting Education Standards Board (IAESB).

The IAESB develops educational standards, guidance, and information papers on pre-qualification education, training of professional accountants, and continuing professional education and development.

The objective of the IAESB is to serve the public interest by setting high-quality education standards for professional accountants and by facilitating the convergence of international and national education standards.

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