

EUROPEAN PERSPECTIVE ON THE GLOBAL DEVELOPMENT OF ACCOUNTANCY EDUCATION 2000 – 2010

Annual Meeting, European Accounting
Association, Istanbul, 20 May 2010.

Prof. Dr. J.G. (Hans) Kuijl
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Universiteit Leiden
The Netherlands

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Speakers

- Prof. Dr. J.G. (Hans) Kuijl, Chair, Leiden University, Netherlands
- Prof. Dr. Kim Langfield-Smith, IAESB Board Member and Monash University, Australia
- R. William (Bill) Phelps, CARANA Corporation, United States of America
- Prof. Dr. Gert H. Karreman Leiden University, Netherlands
- Prof. Dr. Bohumil Kral, University of Economics, Prague, Czech Republic

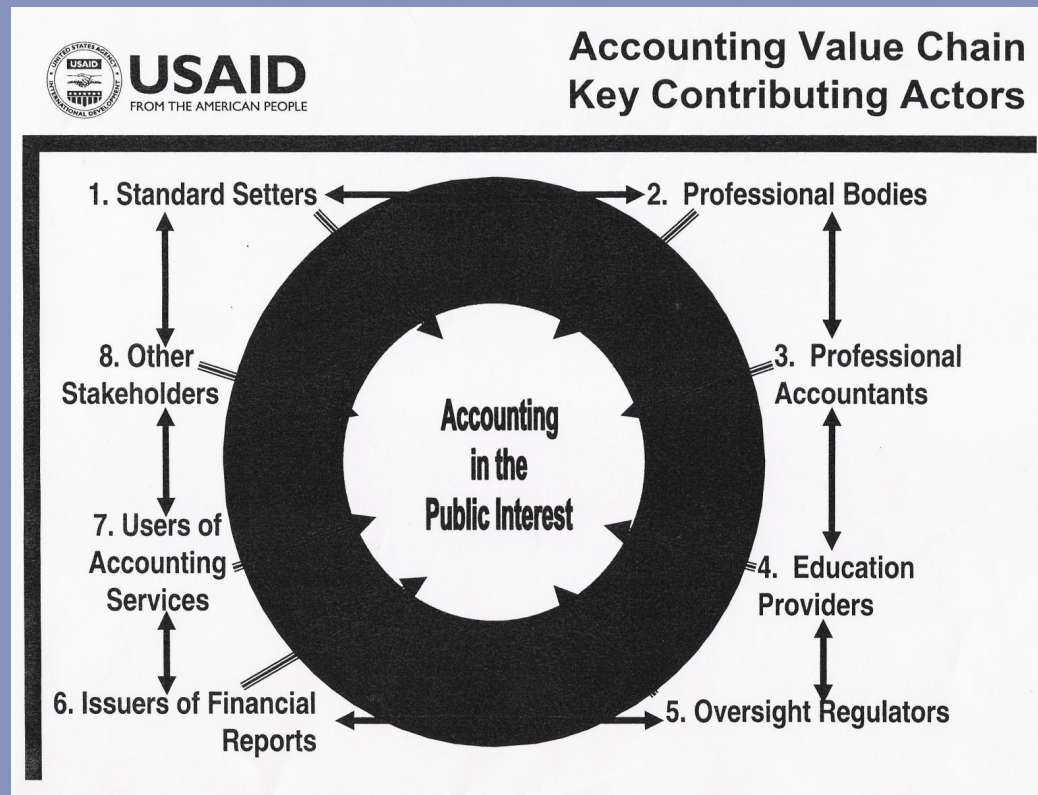
Discussion of Accountancy Education

- Hans Kuijl, Chair, Opening Remarks, Accountancy Education and the Global Financial Architecture
- Kim Langfield-Smith, Professional Standards for and Contribution to Accountancy Education
- Bill Phelps, Capacity Building Framework and Performance Measurement
- Gert Karreman, Benchmarking Accountancy Education in Europe
- Bohumil Kral, Development of Accountancy Education in Eastern Europe
- Panel Discussion

Accountancy Education and the Global Financial Architecture

- Influence of society, culture, politics, economics and legal aspects on accountancy
- Academic and professional accountancy education in different systems of tertiary education
- Globalization, international trade, and supra-national legislation as drivers of convergence
- Specific EU requirements for auditors
- European Qualifications Framework for academic and professional qualifications
- Common Platforms and the Common Content example

USAID Accounting Value Chain Contribution of Educators



From a Global to a European Perspective

- GAE 2007 major areas of development: (1) global coordination, (2) standards and regulation, (3) globalization and convergence, (4) program development, (5) competence education in professional accounting
- Stakeholders: (I) international organizations, (II) governments, (III) accountancy profession, (IV) universities
- What is the relevance for the development of accountancy education in Europe?

From a Global to a European Perspective

- Kim, how essential are education standards for development of professional qualifications?
- Bill, how can performance measurement support ongoing change of accountancy education?
- Gert, what are strengths and weaknesses in the development of accountancy education in Europe?
- Bohumil, what are the education priorities in Eastern Europe for the next decade?
- Panel Discussion, your opinion counts

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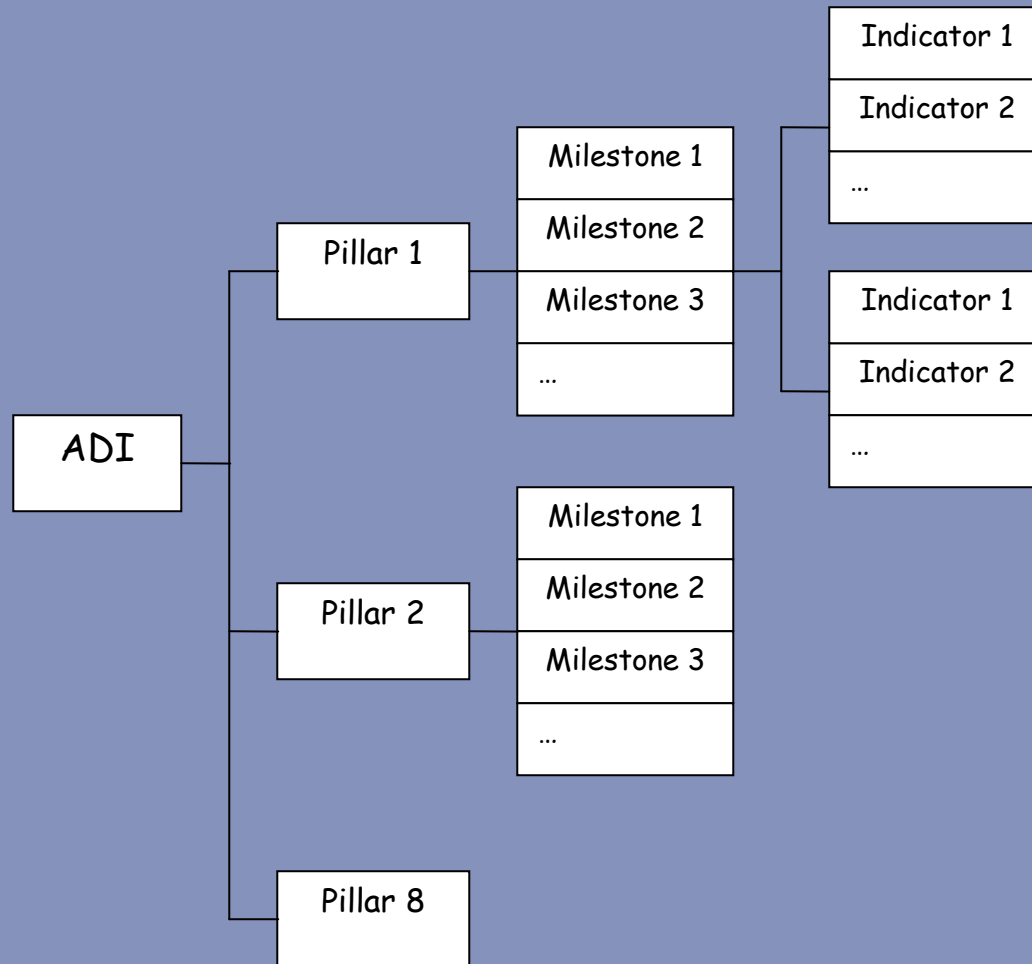
Regional Comparison

- I Czech Republic, Italy, Netherlands, Poland, United Kingdom
- II Albania, Bosnia & Herzegovina, Kosovo, Macedonia, Montenegro, Moldova, Serbia
- III Bulgaria, Romania, Turkey
- Qualification, professional education, practical experience and CPD as integral parts of the accounting infrastructure

Accountancy Education in Europe

- References: (I) GAE 2002 classification, (II) GAEB 2005 education benchmarking, (III) GAE 2007 development, (IV) USAID BISTA 2009 ADI transparency & accountability
- Pillars ADI Accounting Infrastructure: (1) Legal & Statutory Framework, (2) Audit & Assurance, (3) Professional Education, (4) IPSAS, (5) IFRS, (6) Ethics & Discipline, (7) Corporate Governance, (8) Sustainability
- Milestones for education based on IFAC IES and EU; indicators identify adoption and implementation

Pillars, Milestones and Indicators



Accountancy Education Perspectives

Examples from Group II

- Priorities according to GAEB 2005 and GAE 2007
- Comparison between pillars for selected countries according to ADI
- Relative adoption and implementation scores for milestones based on IFAC IES
- Comparison of the education pillar with the other pillars of the accounting infrastructure
- Development perspective

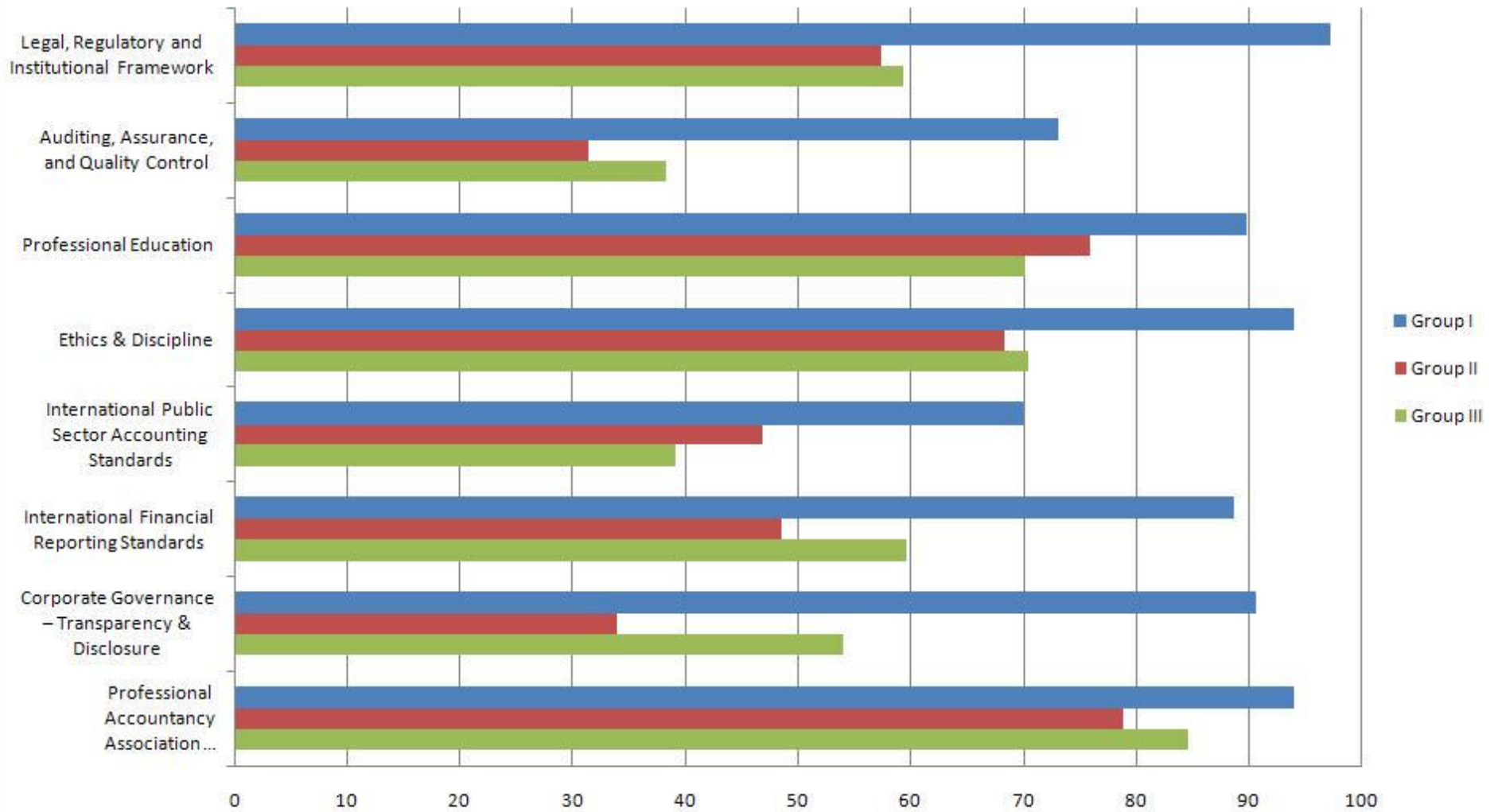
GAEB 2005 Priorities

- Increased international recognition of qualifications
- Further development of core Accounting, Finance & Related Knowledge with an emphasis on Professional Values and Ethics
- Increased international focus on Organizational & Business Knowledge, including Corporate Governance and Globalization
- Further development of core Competences and Skills from Professional Education and Practical Experience

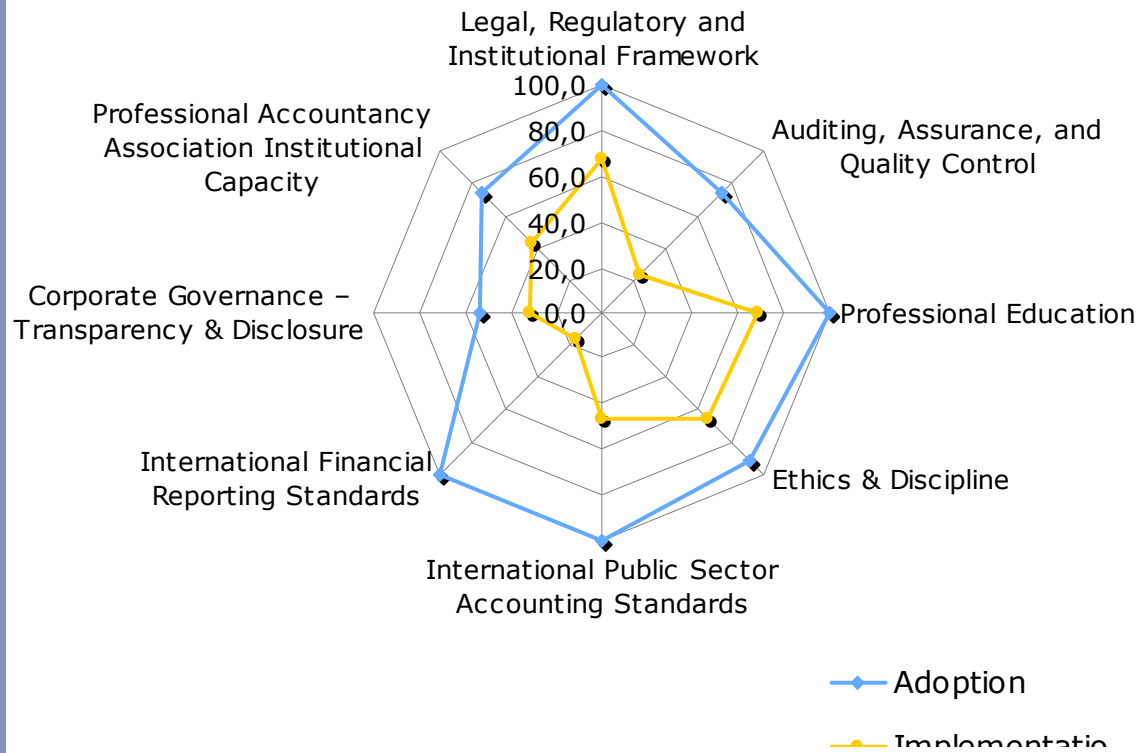
GAE 2007 Areas of Development

- Global coordination of accounting education
- Standards and regulation
- Globalization and convergence
- Program development
- Competence education in professional accounting
- Stakeholders: international organizations, governments, accountancy profession, universities

Mean ADI Pillar Scores by Cluster



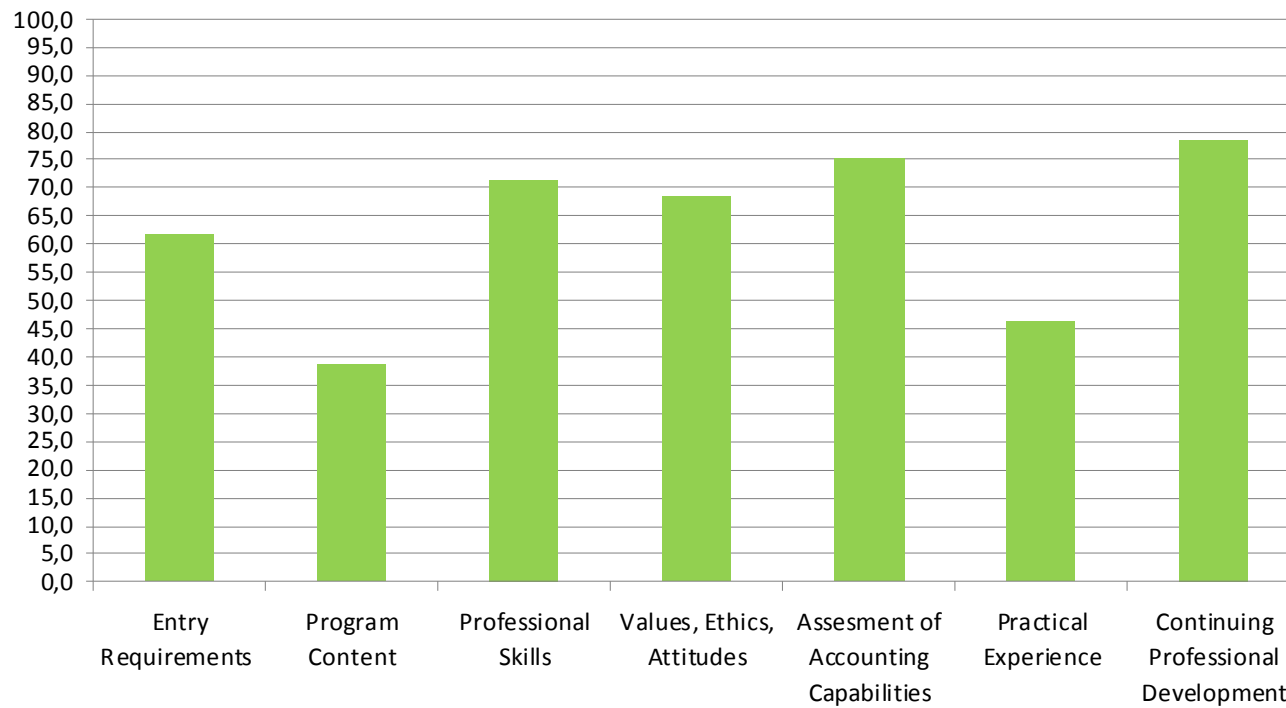
Country Spider Graphs Example Group II



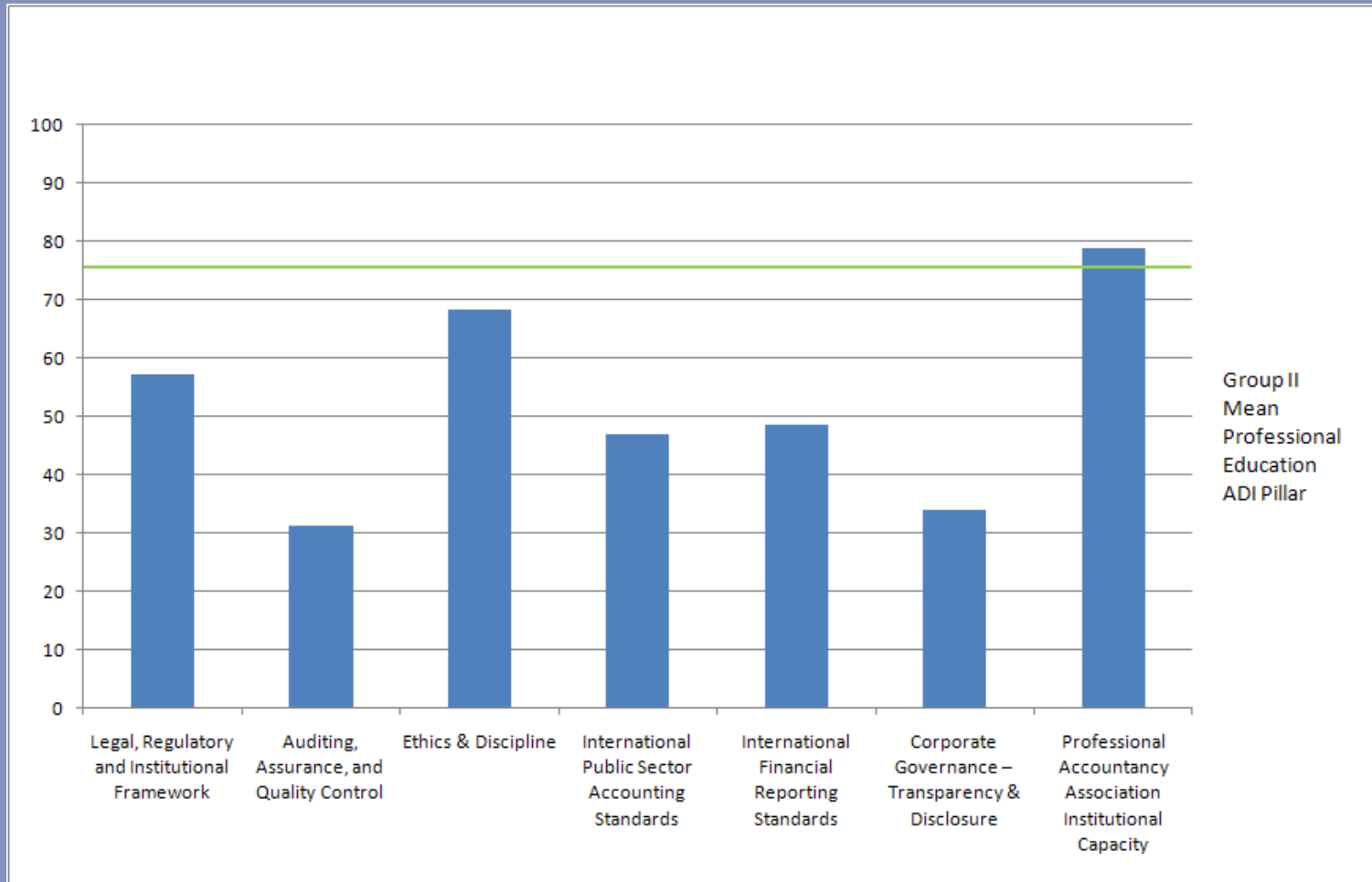
Group II Professional Education Sub-Pillar Adoption Scores



Group II Professional Education Sub-Pillar Implementation Scores



Group II - Mean ADI Pillars vs. Professional Education



Development Perspective in South East Europe

- Almost all professional bodies are full member of IFAC, one is associate member and one is not yet a member
- Compliance information is publicly available for all IFAC (associate) members; most have recently published country action plans
- Over the last three years substantial improvements have been achieved in Accounting & Auditing Education, Certification and CPD
- Overall there is a perspective of ongoing development

Overall Considerations

- **Question: Strengths and weaknesses** in the development of accountancy education in Europe?
- **Answer: Although there are important differences between countries, in general accountancy education is surprisingly well developed compared with the other sectors of the accounting infrastructure, specific subjects still need attention**
- **Condition: Cooperation between stakeholders is necessary to achieve sustainable results for legislation, academic and professional education, practical training, qualification and CPD**