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**Comments on the Consultation paper; Meeting Future Expectations of Professional Competence: A Consultation on the IAESBs future Strategy and Priorities**

We would like to acknowledge the positive thoughts on developing the IES recognized in the consultation paper on *'Meeting Future Expectations of Professional Competence: A Consultation on the IAESBs future Strategy and Priorities'*.

Our comments are provided from an 'educators' and 'research' perspective and are limited to question 5 regarding other activities to be considered by the IESB. Our comments are informed by two recent research articles on accounting education (Madsen, 2015; Rebele & St.Pierre, 2015).

***The role of research on accounting education and the link to actual accounting education***

Rebele & St. Pierre (2015) argue that there is evidence that accounting education research exhibits signs of stagnation. It is highlighted that there is a gap between accounting education research and the practical application research findings in the classroom. The authors, suggest that the very limited number of empirical studies on accounting curriculum and instruction means that researchers are simply describing the status quo, which would provide little motivation or support for change.

Two important question to highlight here is: *Do accounting educators actually read the research articles in the accounting education journals? And is accounting education research having an impact on accounting education practice?* We consider these two questions important for the IAESB.

For the IEASB, we would like to propose some consideration of the linkages between research on accounting education, the educators and the quality of accounting education (in part embedded in the IESs). In addition, consideration of the various suppliers of

education in the knowledge creation chain, ensuring that the educating institutions complement each other to create continuous high-level quality education in accountancy.

From a research side, more research is needed on the supply of audit education. On most cases we observe a focus on accounting education, and less is known on the quality of audit education throughout the knowledge creation chain within the profession. Perhaps the IAESB can contribute with cases, discussion papers or alike.

In addition we would like to raise the issue that more research on audit education (vs. accounting education) would help more sound decision making regarding what action the IAESB could take to, for example encourage education that supported improved professional competence related to the appropriate exercise of professional skepticism and professional judgment.

#### Understanding the role of universities vs. professional associations in the accounting education chain globally

Encourage more cross-border research on understanding not only quality, but quality-affecting-factors on accounting education globally. We have recently seen an interesting, US based research study on the quality of accounting students relative to non-accounting business students and relative to non-business students using surveys of incoming college freshmen available since 1971, as administered by the Cooperative Institutional Research Program of the Higher Education Research Institute (HERI) (University of California, Los Angeles) in the US (Madsen, 2015).

Madsen focused specifically on several measures of the quality of students selected into accounting degree programs and the relative incomes of young, college-educated accountants. This approach enabled him to quantitatively characterize the quality of accounting education in the 1970s and 2000s and estimate how it has changed relative to other disciplines. Madsen (2015) concludes that the survival of accounting education depends upon how well it performs relative to the available alternatives. His study suggests that accounting has not been an overwhelming winner in the competition among educational alternatives, it has also not been a loser relative to most of the alternatives.

The IAESB may want to consider a discussion that embraced further clarification the role of various educating institutions that all together contribute to the establishment of professional competence within the accounting profession.

#### Understanding audit education for specialty areas

In addition, we would like to raise the question on the role of IES for specialty areas such as;

- CSR, integrated Reporting, and other non-financial reporting areas

- XBRL – considering the impact of real-time reporting on the education of professional accountants
- Public sector accounting. With the rise and spread of IPSAS (and, for example, the development of EPSAS based IPSAS in Europe) is the education of public sector accountants deserving additional focus by the IAESB?

In particular relation to the above topics, we raise concerns as to whether the IAESB delegates the training of professional accountants in line with these topics only to professional training institutions (bodies) or if the IAESB would seek further engagement with Universities to ensure a proper realignment of university curricula with the standards of the board. We recognize that, significant differences between professional bodies curriculum and those of universities exists to the extent of not only these topics but in broader terms the standards of the board.

Sincerely,

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## References

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Rebele, J.E. & St. Pierre, E.K. (2015). Stagnation in accounting education research. *Journal of Accounting Education*, Vol. 33, p. 128–137.