



Skills Framework

France	Compagnie Nationale des Commissaires aux Comptes Ordre des Experts-Comptables
Germany	Institut der Wirtschaftsprüfer Wirtschaftsprüferkammer
Ireland	Institute of Chartered Accountants in Ireland
Italy	Consiglio Nazionale dei Dottori Commercialisti ed Esperti Contabili
The Netherlands	Koninklijk Nederlands Instituut van Registeraccountants
United Kingdom	Institute of Chartered Accountants in England and Wales Institute of Chartered Accountants of Scotland

The Participating Institutes in the Common Content project are:

France	Compagnie Nationale des Commissaires aux Comptes (CNCC) Ordre des Experts-Comptables (OEC)
Germany	Institut der Wirtschaftsprüfer (IDW) Wirtschaftsprüferkammer (WPK)
Ireland	Institute of Chartered Accountants in Ireland (ICAI)
Italy	Consiglio Nazionale dei Dottori Commercialisti Esperti Contabili (CNDCEC)
The Netherlands	Koninklijk Nederlands Instituut van Registeraccountants (NIVRA)
United Kingdom	Institute of Chartered Accountants in England and Wales (ICAEW) Institute of Chartered Accountants of Scotland (ICAS)
Project Director	David Cairns david@cairns.co.uk +44 1491 412444
Website	www.commoncontent.com

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Extract from *The Common Content Concept*

Entry-level Professional Accountants

An entry-level professional accountant should be capable of performing those aspects of the services of professional accountants that are specified in the *common learning outcomes* and *national learning outcomes*.

The achievement of the common and national learning outcomes will require the acquisition of *interdisciplinary and other competencies and attributes*. [see *Skills Framework*]

Skills Framework

Interdisciplinary and Other Competencies and Attributes

The Skills Framework covers the interdisciplinary and other competencies and attributes. It should be read in conjunction with the *Executive Summary* and the *Introduction to the Learning Outcomes and Knowledge*, and considered in the context of the five service areas – assurance and related services, performance measurement and reporting, strategic and business management, financial management and taxation and legal services.

Purpose

The purpose of the Skills Framework is to specify for an entry level professional accountant:

- the cognitive skills required to apply the learning outcomes in the five service areas.
- the behavioural skills required to apply the learning outcomes in the five service areas.
- the integrative and multidisciplinary skills required to bring together the learning outcomes and knowledge in the five service areas.
- the professional values, ethics and attitudes required of such an individual.
- appropriate methods of assessment to provide evidence of achievement of the skill level set for each statement.

The integration of material from separate service areas together with integrated personal and professional competencies will add significantly to the objective of the Common Content Project to set a high standard. Numerical and information technology user competencies are described in the appropriate service areas where there is a requirement for underpinning knowledge and understanding. They are not considered as a separate part of this Skills Framework.

Context

The skill statements set out are expected to be applied at a level commensurate with an entry level professional accountant's abilities. The statements are largely generic to many functions however their application in this context is restricted to accountancy. It would not be appropriate for example that a communication skill was assessed in isolation, outside an accountancy environment.

The skill statements have been split into three classes.

Firstly cognitive and behavioural skills are a range of individual statements within categories set at a level of achievement appropriate to the entry level professional accountant. The sub categories of cognitive skills are (a) analytic and (b) appreciative. The sub categories of behavioural skills are (a) personal, (b) interpersonal and (c) organisational.

Secondly integrative and multidisciplinary skills are applied to integrate all the material in the service areas together with individual skills and appropriate ethical considerations. Integrative skills bring all aspects of a qualification to bear. Multidiscipline skills are more restricted perhaps bringing together two – three service areas with skills and other attributes.

Thirdly professional values, ethics and attitudes provide the entry level professional accountant with a framework to exercise professional judgement and to act in an ethical manner in the best interest of society and the profession. (IFAC IES 4).

Capability Statements

The approach taken throughout this document is to apply the principle of capability. This is defined in the framework for international education statements (IFAC 2003) as “the professional knowledge: professional skills; and professional values, ethics, and attitudes required to demonstrate competence.” This is further explained as capabilities or attributes held by individuals that enable them to perform their roles. Capabilities stop short of actual demonstration of performance necessarily required in a workplace environment. The Capability Statements are set at the Standard required of the entry level professional accountant providing an indication that an individual has the ability to perform competently in the workplace.

All entry level professional accountants will be expected to have met the seven divisions in the Framework. Each division contains the related principle capability statements. It is expected that all entry level professional accountants will meet a substantial number, but not necessarily all, of the statements in each set.

Assessment of Capability Statements

Assessment of Capability Statements can be carried out using a number of equivalent and complementary techniques. It can range from evidence of success in a university examination through to the assessment of a mentor in a complex professional engagement. Within this range are the many different types of examinations; oral, written, and technology based. Mentor assessments and other peer reviews can range from assessment of achievement of an individual competence through to a broad assessment of multidiscipline or integrative skills.

IES6 *Assessment of Professional Capabilities and Competence* does not mandate that the assessment or the demonstration of the capabilities and competence is carried out in only one way. What is important however is the equivalence of the assessment criteria. Such equivalent assessment must produce reliable and valid objective results over time.

IEP3 *Assessment Methods* sets out the range of instruments that can be used and considers their relative validity and reliability. All of the skills identified in the framework can be assessed. Those reviewing equivalence of assessment need to consider the totality of forms of assessment in a qualification and the trade off between different forms.

Framework

The Framework can be demonstrated in the following diagram. The service areas form the core around which cognitive and behavioural skills are applied. All individual learning outcomes in the service areas and individual skills are capable of being incorporated into an integrated problem. All aspects of the work of the entry level professional accountant are subject to the application of appropriate professional values, ethics and attitudes.



1. Cognitive – Analytical Skills

The entry level professional accountant is capable of:

- 1.1 Accessing, evaluating and managing information from multiple sources
- 1.2 Creating a research plan with the aim of developing appropriate evidence
- 1.3 Using evidence to support reasoning and conclusions
- 1.4 Assessing arguments and considering evidence against set criteria
- 1.5 Identifying faults in arguments and gaps in evidence
- 1.6 Structuring problems; specifically to the extent of
 - 1.6.1 Identifying issues in organisational contexts
 - 1.6.2 Generating and validating solutions for complex problems
 - 1.6.3 Prioritising and trading off solutions to complex problems
- 1.7 Operating in unstructured situations with elements of risk and uncertainty

2. Cognitive – Appreciative Skills

The entry level professional accountant is capable of:

- 2.1 Filtering information in complex problems to identify critical factors
- 2.2 Understanding time constraints and relative speed of prioritisation in an organisational context
- 2.3 Employing a sense of perspective in over-viewing situations and issues
- 2.4 Demonstrating an understanding of sensitivities to change
- 2.5 Appreciating the point at which assistance and more expert help is required
- 2.6 Applying a sceptical and critical approach to situations
- 2.7 Weighing alternative views in testing the validity of ideas in practice
- 2.8 Responding to professional demands by demonstrating a sense of readiness and anticipation
- 2.9 Handling more than one task at a time
- 2.10 Responding to revised expectations and exceptional circumstances
- 2.11 Thinking laterally in a business context
- 2.12 Applying the concept of materiality to all professional actions.

3. Behavioural – Personal Skills

The entry level professional accountant is capable of:

- 3.1 Displaying a personal integrity and developing a sense of professionalism
- 3.2 Displaying an enquiring and questioning mind
- 3.3 Demonstrating an even handed and tolerant approach
- 3.4 Demonstrating an open minded and adaptable approach to business problems
- 3.5 Demonstrating an independence of thought
- 3.6 Persevering in enquiry
- 3.7 Thinking creatively
- 3.8 Working autonomously
- 3.9 Applying the concept of lifelong learning
- 3.10 Handling pressure
- 3.11 Understanding the impact of pressure on others.

4. Behavioural – Interpersonal Skills

The entry level professional accountant is capable of:

- 4.1 Listening attentively to others
- 4.2 Presenting orally in a clear and concise style
- 4.3 Presenting in writing in a clear and concise style
- 4.4 Communicating complex matters in a clear and concise style
- 4.5 Persuading recipients of communication of problem analysis and recommendations
- 4.6 Empathising with colleagues and customers
- 4.7 Collaborating with peers
- 4.8 Learning from more experienced colleagues
- 4.9 Developing a negotiation in a clear and fair manner
- 4.10 Exercising authority
- 4.11 Understanding the importance of team structures.

5. Behavioural – Organisational Skills

The entry level professional accountant is capable within their training organisation of:

- 5.1 Setting, planning and reviewing objectives
- 5.2 Understanding the needs of customers and clients (internal and external)
- 5.3 Demonstrating the importance of best practice solutions
- 5.4 Understanding and working within an employer's organisational framework
- 5.5 Planning and prioritising work to meet their employers deadlines
- 5.6 Planning, managing, and controlling projects to their employers guidelines and standards
- 5.7 Appreciating the culture of their employer
- 5.8 Demonstrating an understanding of the processes and impact of globalisation
- 5.9 Documenting decisions and actions.

6. Integrative and Multidisciplinary Skills

The entry level professional accountant is capable of:

- 6.1 applying knowledge from different service areas; specifically to the extent of:
 - 6.1.1 analysing problems in a multidiscipline environment
 - 6.1.2 identifying a range of solutions from problem analysis
 - 6.1.3 developing and presenting recommendations which combine technical skills
- 6.2 conceiving, designing, planning and implementing a project requiring multidiscipline skills.
- 6.3 critically analysing, evaluating and synthesising new and complex ideas
- 6.4 combining cognitive and behavioural skills to communicate to a specialist and non-specialist audience.

7. Professional values, ethics and attitudes

A. *The entry level professional accountant is capable in the area of business ethics of:*

- 7.1 Explaining the nature of ethics and its significance in the business environment.
- 7.2 Identifying and explaining the consequence of unethical behaviour to the individual, the profession and society.
- 7.3 Approaching decision making using an ethical framework.
- 7.4 Developing arguments, having first appreciated the perspective of all other parties, in a range of ethical situations.

B. *The entry level professional accountant is capable in the area of professional ethics of:*

- 7.5 Demonstrating an understanding of the public interest.
- 7.6 Demonstrating social responsibility
- 7.7 Understanding the importance of contributing to the profession.
- 7.8 Demonstrating an appreciation of the ethos and culture of the accountancy profession.
- 7.9 Describing and presenting the content of the International Code of Ethics and National adaptations where applicable.
- 7.10 Applying the Code of Practice; specifically to the extent of complying with the fundamental principles of:
 - 7.10.1 Integrity
 - 7.10.2 Objectivity, incorporating conflicts of interest and independence
 - 7.10.3 Professional competence and due care
 - 7.10.4 Confidentiality
 - 7.10.5 Professional behaviour
- 7.11 Exercising ethical judgement in a complex situation with a range of alternative action.

Comparability of Approach with Key External Benchmarks

IFAC International Education Standards

International Education Standards (IES) 1 – 6 have been reviewed and compared against the skills framework. The Skills Framework, together with the Common Content service areas, cover IES 1, IES 2, IES 5 and IES 6. A comparison with IES 3 *Professional Skills* and IES 4 *Professional Values, Ethics and Attitudes* is set out below. This shows that the Skills Framework meets the requirements of these two standards. The Skills Framework recommendations go to a greater level of detail in some areas and sufficiently meet all areas.

EC Eighth Directive

The Skills Framework has been compared with the current and revised EU Eighth Directive on the qualifications of auditors. There are no items within the Eighth Directive which are not covered sufficiently in the Skills Framework.

European Qualifications Framework

The Skills Framework has been compared with the eight levels and categories of the European Qualification Framework learning outcome definitions. There are six categories of learning outcomes:

Level attained by Skills Framework and Common Content Service Areas

• Knowledge	6
• Skills	5/6
• Autonomy and responsibility	5
• Learning competence	6
• Communication and social competence	7
• Professional and vocational competence	6/7

The European Qualification Framework defines Level 6 qualifications as “providing access to professional employment opportunities and are often career entry qualifications for professional and managerial work”. Broadly the levels of attainment being demonstrated by the framework in the Common Content Project seem closest to Level 6 within the EQF system.