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How to Design a Curriculum to Train People with Cultural Differences : the Example of Accounting Education.

Summary.

The objective of this paper is to show on the basis of one example, accounting education, how to design a curriculum to train people with cultural differences using explicitly the usually implicit underlying values. The values are : freedom of choice, equality, quality, competence, comparability, flexibility, variety and risk reduction.

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The accountancy profession is a very particular one, because it has to face the following paradox :

1. The discipline, accounting, is partly specific to each country because national standards have to consider the local traditions of the profession and, at least in certain countries, diverse legal constraints like taxation rules, corporate law or companies act, stock exchange regulations, etc.
2. There is a strong need for international standards in accounting and auditing because the business world becomes global.

As a consequence, the accounting curricula have to be at the same time local (they cannot ignore the cultural and legal specificities of each country) and global (to facilitate mutual recognition). In order to find a compromise between these two incompatible objectives, a prescriptive approach with international education standards is excluded. The International Federation of Accountants' Education Committee only publishes "guidelines". The 8th European Directive on statutory auditors has a few requirements on the accounting curriculum.

The easiest way to find a compromise is to discuss and reach a consensus on general principles which are the common objectives. It is then each country's responsibility to find a local way to achieve these objectives.

1. Methodology.

Ideally, one should have considered first the needs of the profession in order to then conceive the curriculum. However, we do not think that it is actually possible to anticipate with certainty the evolution of the profession within 10 years. We have therefore opted for a more intuitive and ideological approach rather than for a deductive one, imposing quality requirements on the curriculum - in the form of the definition of values - and, in a second step only, adopted a deductive approach. We might of course be blamed for a lack of scientific rigor. But dealing with a sample of unknown data may however be none the more scientific. Our intuitions do not claim to be the truth but only a sound starting point for the discussions between political and professional institutions.

2. The main values of the curriculum.

As we cannot make plans for an evolution that is difficult to foresee precisely (i.e. giving up the « one best way » and the idea to draw separate plans for each and every professional branch), we think that :

- it would be preferable to give the largest extent to the individual's freedom of choice so that adjustments can be made as easily as possible (i.e. to achieve a regulation which is based on a competence market) ;
- options should be made reversible and should not lead to a rigid hierarchy in the profession ;
- the quality of the professional education should be guaranteed, recognized and made comparable to those in other industrialized countries ;
- variety and flexibility should lower the risks that exist both for individuals and for the profession.

2.1. Freedom of choice.

Anyone should be free to choose the pace, the duration (according to the qualifications expected), the place (city, country, etc.) of the studies and the way of exerting the profession (as an accountant or auditor in public practice or as an accountant or internal auditor in commerce and industry).

2.2. Equality.

Freedom must not lead to hierarchical differences. Plurality of access must be recognized on the basis of an objective comparison of the syllabi with a standard syllabus (system of exemptions and mutual recognition). The qualified generalist is not a cheap-rate specialist neither the accountant or auditor in public practice better or worse than the accountant in commerce and industry.

2.3. Quality.

There is no acceptable compromise as far as the quality of education is concerned. The long-term future of the profession is at stake. Quality of « education providers » has to be approved either by competition (in order to eliminate those courses or institutes whose quality would prove insufficient) or by the supervision of an independent body. With regard to the education of the members of a chartered profession (not only in the Czech Republic but also worldwide as far as auditing is concerned) we do not think that competition or « natural selection » should be the best way to eliminate the poor « education providers ». Information is so unevenly distributed that the market is not able to integrate the actual quality of the courses but only to take for granted the image reflected by means of communication that are not equally allocated. The independent body in charge of monitoring and assessing educational quality could be either the State or the profession. In accordance with the European tradition, it should probably be a combination of both.

2.4. Competence.

The educational system is basically conceived to transmit knowledge and to control its acquisition. On the other hand, the profession expects its members to be competent not only technically but also socially (which includes good relationships, honesty, responsibility, authority and a taste for working hard). Competencies combine knowledge, skills and attitudes (see below, § 2.2). Although, in the US and in many other countries, there is a trend to bring the academic field to think about the assessment of competencies, we have decided to stand aside. We think that higher education institutions have no legitimacy to sanction ways behaviors or attitudes that come within moral commitment. Their only assignment is to approve differences that exist between a certain level of knowledge (as objectively as possible stated by an examination) and an expected one defined by a syllabus. We therefore assign to the University a scientific - including the social sciences - mission. We neither question traditions according to which, on the one hand, competencies have to be assessed by employers and, on the other hand, knowledge by the educational system.

2.5. Comparability.

The drive towards globalization that affects business activities also affects professional accountants (including auditors according to IFAC's definition). At the same time as the internationalization of accounting (IAS and the European Directives) or auditing standards (IFAC) progresses, there is also a trend towards harmonizing national accounting education standards (IFAC's International Education Guidelines - IEG - and 8th European Directive for auditing). Therefore, our proposals shall fit into the framework of this evolution.

2.6. Flexibility.

There are several ways to achieve to the same goal. For instance, knowledge can be acquired within either an academic framework (through the validation of academic experience leading to some exemptions) or a professional framework (through the validation of professional experience acquired by on-the-job training leading also to certain exemptions) or as well a combination of both (within the scope of semi-professional and semi-academic education). Flexibility is a guarantee for the variety of recruitment and equal opportunities since it avoids the rigidity of a « one start system ». Anyone, anytime, is offered the opportunity, according to his/her competencies, to undertake what he/she could not at an earlier stage in his/her life.

2.7. Variety.

Variety of recruitment is a guarantee for meeting the further evolution in the needs of the profession. It is as well an answer to complexity and uncertainty. This variety is sufficiently ensured through different methods of acknowledgement or recognition of foreign degrees, which allows a wide range of cultural and linguistic experiences. Diversity may result from flexibility, however the two must not be confused. Some flexibility can be introduced in the definition of a common-core syllabus by means of capitalisable credits and exemptions, yet it does not necessarily mean it will be more diverse. On the other hand, schemes including optional credits bring diversity in but do not associate it necessarily with flexibility (for instance when the pace of the studies is imposed). We therefore take for granted that diversity and flexibility are complementary.

2.8. Risk reduction.

Risk has to be assessed either on an individual or on a professional level. The individual can reduce the risk that looms over his/her professional life by putting forward his/her competencies if the latter is acknowledged plus, if such is the case, a specialization. As far as the profession is concerned, we think that flexibility and variety are the best assets in risk prevention.

3. The curriculum.

Let us focus now on the proposed curriculum from the viewpoint of the values we have sketched out above.

3.1. Freedom of choice.

The proposed curriculum comprises a system of capitalizable credits with no expiration date and that can be taken by students so that they will freely decide. Candidates are therefore quite at liberty to plan their studies' progression according to their tastes and possibilities. This freedom may obviously result in the lack of coherence. For instance, it would be illogical to study auditing before taking a course in financial accounting. But we are convinced that freedom of choice must not be given up insofar as students are responsible and are to manage these potential incoherences themselves.

Geographical mobility is another aspect of freedom. It can be achieved insofar as the mutual recognition of foreign qualification could be extended to any part of the curriculum and not only to the qualifying final exam within the European Union.

3.2. Equality.

Does the curriculum offer equal opportunities regardless of the track chosen by the candidate ?

As far as **academic knowledge** is concerned, the mutual recognition and exemption system may ensure an equal treatment to candidates from different tracks.

But most of the education systems do not recognize **on-the-job training** as equivalent to an academic track in respect of the acquisition of technical or professional knowledge. However, it is possible according to article 9 of the 8th Directive. One could also (and we are very much in favor of that) imagine to grant some exemptions according to the candidates' professional experience.

Finally, **mutual recognition** of foreign degrees, subject to an aptitude test limited to the legal disciplines particular to each and every country, is ensured in order to guarantee equal treatment.

3.3. Quality.

For the current **curricula** offered by different universities or « education providers », quality is controlled in reference to the standard syllabus (see below § 5.1). The latter enables a sort of benchmarking.

The quality of the **candidates** is assured by the compulsory final exam organized under the authority of the State and/or the Profession.

Giving the increasing complexity of professional accounting activities, the rising level of the public's expectations and the developments in other countries, it is not going too far to set the vocational training after 4 to 5 years of higher education in the relevant disciplines. This standard is widely adopted throughout Europe and is becoming a basic in the US following the recommendations of the AICPA's Accounting Education Change Commission.

3.4. Competence.

As we have said, competence is a much broader concept than the mere accumulation of knowledge. It is an essential dimension in professional activities as well.

Professional competence may be enhanced within the academic part of the curriculum by increasing the number of « open book » exams. This should be at least the case for the final exams. They thus favor know-how rather than by-heart learning.

In the current curriculum, switching from academic knowledge to professional competence is mainly, but not only, obtained through practical training. We do not obviously contemplate withdrawing this training. However, one can question its content : for instance, has this training to be achieved in an auditing firm ? Should not a minimal period (up to one year ?) of management training in commerce or industry be introduced ?

The auditors as a profession may also be willing to seek for some competencies that do not result from the usual curriculum. Finance or computer sciences specialists or any other high standard scientific qualification are welcome. Of course, such profiles are not expected to follow the whole accounting and auditing curriculum to become qualified as auditors. A kind of « external recruitment » thanks to exemptions (a fast track) could be conceived for them.

At last, professional institutions have to be involved in the qualifying process through the acknowledgement of specialization.

3.5. Flexibility.

Flexibility of the curriculum is ensured through a system of capitalization of credits as well as through several provisions : exemptions, mutual recognition of final exams. But the validation of professional experience is still to be planned in most countries.

Flexibility implies also developing semi-academic and semi-professional education or tracks. The opportunity to study and work at the same time, besides granting the students financial backing, has an educational interest. Henry MINTZBERG owes part of his renown to the demonstration he made of the inadequacy of management education when it is intended for

students without any working experience. Studying and working at the same time is therefore a one of the best ways to associate tightly the two most important means of education.

3.6. Variety.

In our opinion, variety has to be determinedly encouraged through the acknowledgement of specialization. It is the best way to display the diversity of competencies that can be found in a profession and gives more credibility to that profession.

The auditor's profession has also a need for a variety of levels of qualification : assistant auditors or accounting technicians, managers, partners. Let us remind that accounting technicians' professional bodies are associate members of IFAC. Contrary to medical studies that do not recognize any qualification to those leaving before completion, accounting studies in almost all countries lead to a hierarchy of different qualifications.

Variety in competencies may at last result from the enlargement of the recruitment, recurring to external recruitment or to the mutual recognition of foreign qualifications.

Flexibility and variety are not however costless : the increasing complexity of the curriculum may entail a lack of transparency for the public (making guidance more difficult) as much as for the employers. An inflation in the number of concurrent paths is also clearly a threat to their perceived quality.

3.7. Risk reduction.

When future becomes unforeseeable, flexibility is the best answer to the risk of the uneven development of client's demand or job supply. Separated tracks are therefore to be avoided and professionals are to be allowed, at different stages of their careers, to switch from public practice to commerce or industry or the other way round. The suggested curriculum will have to provide for such options.

The profession and the professionals are also able to face risks by either diversification or specialization. Diversification is supposed to be the best answer to further developments as generalists can deal with almost anything. This option's obvious limitation rests on the real ability to be competent in every field. Specialization corresponds to a niche strategy. The best protection is to position oneself in an even more specialized niche. Yet, specialization would still have to be recognized by the profession.

4. Educational models.

Two major models contrast with each other :

- the « **pipe-line** » or **linear model** that sets a one-way education with optional specialization at the end and with similar entry and exit points for all candidates (as it is the case usually for medicine and sometimes for law studies) ;
- the « **metro** » **model** that allows multiple entry levels, each and every exit point being provided with a professional qualification. This pattern implies the same disciplines to be taught at every different level in the curriculum. In such a case, one can find for instance financial accounting at the technicians' level (undergraduate), at the executives' level (graduate) and at the experts' level or qualified auditors level (postgraduate).

Germany has tended to adopt the « pipe-line model » as most of the Wirtschaftsprüfer are also Diplomkaufmann (which is a diploma approximately equivalent to a little more than a master's degree in management). The United States also are heading towards this pattern as the candidates to the Uniform Final CPA Exam are now expected to take a University « 150 semester/hours » curriculum in accounting and in related disciplines. Practically, the American system implies the obligation to achieve a master's in accounting, that is to say the

equivalent of 5 years of higher education, followed by a final examination, which is the same for all applicants. Only the practical training period remains particular to each and every State. On the other hand, the « metro model » is implemented in France.

Both models have advantages and drawbacks.

The « pipe-line model » displays coherence in its educational progression. The syllabus is completed gradually, according to a knowledge accumulation scheme and, if possible, in an order of increasing complexity. On the other hand, it compels the students to an early choice of their future career and does not allow dropping the course at an intermediary stage with a qualification. For instance, a medical student leaving after 3 or 4 years is not for that qualified as a nurse. Students are also expected to make up their mind after leaving secondary school between short-term studies (bachelor's degree in a technical college) or long term studies (master's degree or Ph.D. in a university) without having a bridge between both tracks. The scheduled curriculum is then a source of rigidity. Besides, to avoid failures after several years and without any qualification at an intermediate level, selection has to be carried out at an early stage of the curriculum and therefore obviously grounded on criteria which are very far from a professional approach to issues.

The « metro model » is more flexible but necessarily less coherent since the same discipline can be studied at different stages of the curriculum. Redundancy is possible as well as a drawback of those who have chosen to enter professional life at an intermediate level (i.e. technician level).

It would be possible to combine the advantages of both models creating several accesses to the curriculum.

5. Syllabus.

The fact that it is a professional and technical curriculum does not mean that general education is irrelevant.

Given our propositions and the importance granted to the possibility of advancement for accounting technicians, the latter may be needing the above mentioned general education. For instance, a syllabus structured on 4 main themes would have to be adapted to this purpose :

- Man : philosophy (essentially moral and ethics, sociology, psychology)
- Space : at least one foreign language and economic geography
- Technique : major technical systems, sciences history, relationship between technology and society
- Time : economic history, economic thought history, law history

Those subjects could be all the more attractive since the kind of knowledge involved requires a certain maturity and experience of life to be efficiently acquired. A curriculum beginning by basic technical education and followed by general disciplines would in many respects foster harmoniously the candidates' capacities for assimilating.

6. Conclusion and summary.

The various pedagogical solutions, experienced in different countries, are only the practical translation or image of implicit underlying values. The fact that these values become explicit, makes it easier to harmonize (and not standardize) curricula developed in different countries, that is to say in different cultural contexts.

Values → Solutions ↓	Liberty Freedom of choice	Equality of candidates	Quality of the curricula	Compe- tence	Flexibility	Variety	Risk reduction
Capitalisable credits	✓				✓		
Exemptions and mutual recognition	✓	✓			✓	✓	✓
Exemptions for professional experience	✓				✓	✓	
Part time study		✓		✓			
Specialization			✓	✓		✓	✓
Independent evaluation of the curricula			✓				✓
Practical experience				✓			
Possible qualification at intermediate levels	✓					✓	