

## Benchmarking the AIA Professional Qualification

ECCTIS independent evaluation and benchmarking of the AIA Professional Qualification (PQ) has found the following comparability in the context of the UK education system<sup>1</sup>:

AIA Qualification / Designation	Comparable RQF level
Certificate in Accountancy	5
Diploma in Accountancy	6
Advanced Diploma in Accountancy	7
International Accountant (IA)	7
Recognised Professional Qualification (Qualification as a Statutory Auditor in the United Kingdom)	7

### Context and scope

The Association of International Accountants (AIA) has commissioned Ecctis to undertake an independent evaluation and benchmarking of the updated AIA Professional Qualification (PQ) for first assessment in November 2021, in relation to the Regulated Qualifications Framework (RQF). The overall aim of this benchmarking exercise is to facilitate wider understanding of the comparable educational levels of all three levels of the programme and the AIA International Accountant (IA) designation.

### The AIA Professional Qualification (PQ)

The AIA is a professional accounting body, offering qualifications for accountants in public practice, industry and the public sector globally. AIA is a Recognised Qualifying Body (RQB) for statutory auditors under the UK Companies Act 2006, and is regulated by the Financial Reporting Council (FRC). The AIA is also recognised by The Irish Auditing and Accounting Supervisory Authority

(IAASA) under the Companies (Auditing and accounting) Act 2003 in the Republic of Ireland. The AIA PQ comprises three levels of study: Foundation, Professional 1 and Professional 2 and awards three exit qualifications as follows:

- Certificate in Accountancy (on successful completion of Foundation programme)
- Diploma in Accountancy (on successful completion of Professional Level 1)
- Advanced Diploma in Accountancy (on completion of Professional Level 2).

The minimum entry requirement for the PQ (Foundation level) includes two A Levels and three GCSEs. Exemptions from examinations can be granted for Foundation level and Professional Level 1 to holders of other professional qualifications in accountancy, whilst all candidates must complete the Professional 2 exams. The mode of learning is self-study, via distance learning or delivery at an AIA approved centre<sup>2</sup>.

In terms of content and structure, the Foundation level comprises four compulsory components in Financial Accounting, Management Accounting, Corporate Governance and Audit and Business

<sup>1</sup>RQF Level 7 is referenced to Level 7 in the European Qualifications Framework (EQF). RQF Level 6 is referenced to EQF Level 6, while RQF Level 5 is comparable to Level 5 on the EQF.

<sup>2</sup> Review of delivery centres did not form part of this project.

Management. Assessment is via one three hour multiple choice exam paper.

The Professional Level 1 consists of five compulsory three hour exam papers in Financial Accounting and Reporting 1, Principles of Governance and Audit, Management Accounting, Business Law for Accountants and Taxation.

Professional Level 2 includes five papers: Financial Accounting and Reporting 2, Developments in Assurance and Accountability (DAA), Business and Financial Management, Ethics and Professional Practice and the Multi-disciplinary Case Study. Students following the accountancy route take four out of five three hour papers. Students are required to pass all four exams to progress to Professional Level 2.

In order to attain the designation 'International Accountant' and become Associates of the AIA, students are required to pass all papers within the PQ (including four at Professional Level 2), as well as complete three years Initial Professional Development (IPD), which is approved by the AIA.

The AIA also offers the Statutory Auditor Route for the PQ, which involves completing the same programme (three levels including Foundation, Professional 1 and Professional 2), but with some differences in terms of exemptions and the number of papers required at Professional Level 2 (all 5 papers instead of 4). Those on the audit route who successfully complete the exams and three years of work experience, are awarded 'Recognised Professional Qualification (Qualification as a Statutory Auditor in the United Kingdom)' and can register with a Recognised Supervisory Body.

## Key findings

In conclusion, the range of skills and knowledge developed and assessed at Foundation level (which leads to the award of the Certificate) was found to relate closely to a range of knowledge and skill expectations at RQF Level 5. The focus at this level is establishing a secure theoretical and practical knowledge and understanding of the principles of accounting, whilst also developing an awareness of major schools of management thought and their application.

In the Professional Level 1 (Diploma) course, there is an increased focus on developing advanced conceptual knowledge and understanding of financial management and accounting and critical analysis skills, evident in both the learning outcomes and the assessment. Reflecting expectations at RQF Level 6, learning outcomes and assessment tasks place emphasis on solving complex problems with numerous interacting factors.

The outcomes and assessed skills in the Professional Level 2 papers leading to the Advanced Diploma were found to compare well to RQF Level 7. In particular, there is a focus on specialised skills and knowledge, integrating current developments in the field of accountancy, business management and financial management. The case study based assessment, evaluates the ability to apply complex specialised skills and knowledge from across the course of study to solve complex, multifaceted problems.

Given that the International Accountant and the Statutory Auditor designations require completion of all levels of professional training to obtain, including Professional Level 2, they are also found to be comparable to RQF Level 7.

## Methodology

Based on Ecctis' well-established methodology for credential evaluation, this independent evaluation and benchmarking study comprised a detailed desk based review of the AIA Professional Qualification in terms of:

- Entry requirements
- Duration
- Content and structure
- Modes of learning and assessment
- Learning outcomes
- Associated outcomes.

Quality assurance and control mechanisms and processes were also considered for the purposes of Ecctis determining comparability.