CHAPTER 2: REVIEW OF LITERATURE

2.0 Introduction
Education in general and accounting education in specific play a very important role in the process of development, and the accounting education contributes significantly towards direct link between education and national development, it may be stated that in case of developing countries accounting education would be economic assessment and economic growth and reduce the wastage of national resources through it is out-put.

However, this will exist only when the national responsible realize this role and prepare the accounting education for this path, and selecting this path involving with accounting education system and also involving with many questions .e.g. what is the accounting education and how to produce competent professional persons that can raise the level of productivity and promote economic growth
Also when the national responsible realize what the other experiences are and what the researchers, writers and thinkers said and wrote about accounting education.

Therefore, those elements very important according to the researcher point of views, then discuss these points in this chapter may provide some benefits whether for researcher or readers, thus, the researcher concentrated on two major points that are

Important Concepts in Accounting Education
Important Studies in Accounting Education

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2.1 Important Concepts in Accounting Education

There are two concepts according to the head point mentioned above, in this context it is worthwhile to note what mentioned about them.

{S N Maheshwari and S K Maheshwari, 2000: 1.4} mentioned important points about accounting in six ideas as following

1. Accounting today can not be the same as it used to be a bout half a century back,

2. It has grown in importance and change in its structure with the evolution of complex and joint industrial organizations.

3. In the early stages accounting developed as result of the needs of the business firms to keep track of their relationship with outsiders listing of their assets and liabilities.

4. In the recent years changes in technology have also brought a remarkable change in the field of accounting.

5. The whole concept of accounting has changed; it has come to be recognized as a tool for mastering the various economic problems also as a tool of management providing vital information.

6. To day it is information system rather than recording system

Also it is worthwhile to note about education, K.R. Sharma, {2004: 13, 88}
mentioned important points about the concept of education and its important Education is the principal means by which people acquire knowledge, skills and shared values; individual and ultimately society ideals and aspirations changes are shaped by education. (K. R. Sharma, 2004: 88).

Education plays a vital role in the process of development and also in improvement of quality of life for individual, as well as, the society as a whole {K.R. Sharma, 2004: 13}.

S N Maheshwari and S K Maheshwari concentrated on accounting as knowledge, they said, the whole concept of accounting has changed; it is recognized as a tool for mastering the various economic problems.

Also as a tool of management providing vital information, and today its information system rather than recording system.

It is also recognized that, mastering the economic problems is throughout mastering the knowledge and as soon as the accounting is a tool of providing information, also providing knowledge, today it is information system that providing knowledge for the decision makers.

While, K.R. Sharma said, education is a process by which people acquire knowledge and shared with the individuals and society according to needs,

Therefore, this shared knowledge play a vital role in the process of development and improvement of quality of life for individual, as well as, the society as a whole.
It was worth to note some important concepts that mostly the responsible of accounting education use them in the field of accounting education, may be there is some difference in the meaning of these concepts, due to the different of nation or cultural and other, according to their education Philosophy, language, civilization. Therefore it is important to discuss about these concepts for development the accounting education.

In fact, discussion about concepts that have great relation with accounting education do not establishing new education standards or requiring any change in the existing accounting education standards or accounting curriculum or accounting qualification requirements, whatever called or named, instead they are intended to provide guidelines to the setters of education standards.

The concepts are useful as tools for solving problems, the framework of International Education Standards for Professional Accountant that issued by IFAC on 2003, provided glossary of terms to define the concepts that may help the national responsible of accounting education in the countries to identify the right questions to ask in the following

1- Minimum entrance requirement
2- Content of accounting education programs
3- Content of accounting training programs
4- Content of Final examination program
5- Objective of accounting education
6- Duration {duration of accounting education and accounting training}
7- Position of national degree in the international market
8- Type of certification obtained and its international recognize
9- Locations of responsibility in the education, training and the final exam
10- Mode of responsible toward recent trends in the field of education
11- What are the components of the framework of accounting education?
12- What is the Function of the framework that will develop the nations?
13- Is there possibility of convergence between various countries?
14- Is there need to specific integration process?
15- What are the education programs and what is the structure of education?
16- Do the programs or structure or its value in the countries changeable?
17- Increased or decreased?
18- How does the change will result to activate the convergence?
19- From outside factor or inside factors can be the change?
20- What is the source of macro level, countries or international responsible?
21- Receiving the comprehensive input of macro level to decrease the diversity in micro level between countries credit to the government or faculty member or professional?

These 21 points or more or less will help to the structuring of the accounting education and contribute over time for international recognition acquisition.

FASB, {2004} in their statement of concepts mentioned that statements of concepts do not establish new standards or require any change in the application of existing accounting principles, instead they are intended to provide the board and the constitutions with a foundation for setting standards and concepts useful as tools for solving problems.

The framework defined in the statement of concepts helps the board to identify the right question to ask in structuring technical project.
As mentioned above, may be there is some difference in the meaning of concepts, due to the different of cultural and their Education Philosophy, Language, but some times the difference due to the ways a word may be defined within its context as mention in Word Power, {1996: 31} Oxford

1. **Formal Definition:**
This is usually a direct statement that defines the word for you.

2. **Definition by Example:**
Example given to help you to know the meaning of the word

3. **Definition by Description:**
The description of a word helps you to visualize that word.

4. **Definition by Comparison:**
Compares the word in greater detail with other simile and simile is Latin word meaning like or similar, simile give you a context clue by comparing a word with something else.

5. **Definition by Origin:**
This explanation consists of information about the language in which the word originated.

6. **Indirect Definition:**
Writers often define words indirectly. They use signal words such as called or known as or referred to.
2.1.1 Concept of Accounting Education

What is accounting education? This basic question has been answered by IFAC in general in 2003 and by Gert Karreman, \(2002: 45\) in specific.

Definition of International Federation of Accounting (IFAC)

IFAC in their glossary of terms defined the education as a systematic process aimed at developing knowledge, skills, other capabilities within individuals, it includes training.

IFAC provided this definition, which can be considered as definition by simile or definition by comparison as mentioned above the way of definition

Also IFAC explained the word education and can considered as other way of definition, the IFAC said that education is a systematic learning process whereby individuals develop capabilities considered desirable by society, education is usually characterized by the growth of an individual’s mental and practical abilities, as well as maturing in attitude resulting in an enhanced ability of the individual to function and contribute to society, in either specific or non-specific context, while often conducted in academic environments, education also includes systematic learning process in other environments, such as on-the-job and off-the-job Training. Education is by nature, somewhat planned and structured and therefore excludes casual, unsystematic learning process end.

IFAC explanation for the word of education can be considered as definition by example or definition by description
Definition of Global Accounting Education Project {GAEP}

It is recent definition for accounting education provided by Gert. Karreman, {2002:45} in his research Project called the Impact of Globalization on Accountancy Education, and this project known as Global Accounting Education Project {GAEP} He said that, the definition of accounting education does not only include the content of accountancy education and Training – The usual approach – but also its structure and recognition.

In this definition used definition by comparison between usual approach and current approach, it is some kind of indication about what should be the meaning of accounting education in this rapidly environment change.

At the same time he used another way of definition called definition by description, he said to describe the usual approach of accounting education, although the content of education and training programs is important to judge the present abilities of professional accountant and auditors, it does in itself not indicate the potential that is available for future development. This is largely decided by the structure of accountancy education, here used other way of definition called definition by example.

When he tried to explain the structure of accounting education he used some example for that, he said structure of accounting education including the allocation of responsibilities and available expertise in a national setting, also he used definition by comparing, in this manner he said existing international recognition can be used as a measure for the relative position of professional accountancy qualifications.
The Main Component of the Definition

The GAEP provided three components for the accounting education e.g. the content of accountancy education programs, accounting training programs, and final exam programs and education structure and recognition.

1. The Content of Accountancy Education Programs
   a. content of accounting education programs
   b. content of accounting training programs
   c. content of final examination programs.

Also in page 8 said the education and experience of professional accountants must integrate between knowledge, skills, value that enables them to contribute to learn and adopt to change throughout their professional lives.

Also, in GAEP mentioned, combination of accounting education programs with accounting training programs is very important.

2. The Structure of Accountancy Education

The structure is very important, its part of accountancy education, including legislation, standard setting, the respective role of education professional institutes, available resources and expertise and know how input is necessary element to get output students in line with the demand of market to meet the requirement of the business (page 39).

Structure of accounting education is important for classification the accounting education and comparing the system of accounting education between the countries, because it considers the education system as a whole.
3. Recognition of Accounting Education.

This point is very important, in fact recognize the accounting education by international responsible, its process of comparing national accounting qualification requirements (micro level) with existed (macro level) that is international accounting qualification requirements, through acceptable system, between international responsible and national responsible.

To obtain recognition is objective, and determine the objective could be according to the national needs and international needs.

The responsible of national accounting education should believe in deep that, objective not forever, everything now-a-days according to demand and supply role, this role does not concern only goods, but also concern Human.

Globalization does not differentiate between goods and Human everything and under international agreed standards or international agreed concept.

Therefore, mutual recognition between countries should be base on national consideration and through out acceptable international recognition.

Design the accounting education system should be according to national vision with expand the opportunity for the national students to be acceptable workers in the international markets.

This happen when micro levels in the countries compare with each other through acceptable macro level for each other.
2.1.2 Concept of Accounting Curriculum

This data referred to Smith, M. K. (2000) 'Curriculum theory and practice' the encyclopedia of informal education, in fact Smith. M. K mentioned important points in his article, and the researcher used some of them for classification the concept of curriculum, according to the writer, the definition of the curriculum is all learning which is planned and guided by the school, whether it is carried on in groups or individually, inside or outside the school.

Also the writer classified the curriculum into four types
1. Curriculum as a body of knowledge to be transmitted
2. Curriculum as product attempt to achieve certain ends
3. Curriculum as process.

1) Curriculum as a Body of Knowledge

The first was curriculum as a body of knowledge to be transmitted, Therefore, curriculum as a syllabus to be transmitted, teachers talk about the syllabus but the syllabus will not generally indicate the relative importance of topics or how they come to be studied. Those who compile a syllabus tend to follow the traditional Textbook approach of an order to contents, education in this sense is process of transmitting the knowledge to student by the most effective methods { as GAEP called usual approach}

2) Curriculum as a Product

Education is today designed in the productive form and most seen as a technical exercise, objectives are set, a plan drawn up, then applied, the
outcomes (professional accountant) measured; it is a way of thinking about education that has grown with the rise of vocational education and with competence model approach. And supported by many international organizations {refer to UNCTAD conferences in chapter three}

Determination the content according to product approach requires only go out into the world of business and discovers the particulars of which their affair consists, these will show the abilities, attitude, skills and knowledge that business need, these will be the objective of the curriculum.

So the curriculum will be then that series of experiences, which students must have by way of obtaining the objective. This way of thinking about curriculum was heavily influenced by the development of management thinking. The attractions of this approach to curriculum was that it involved detailed attention to what accounting students needed to know in order to work in the accounting profession, life their lives, or obtain recognition by professional body, this approach can be found in many training programs, where particular Jobs have been analyzed –broken down into their component elements – and list of competence drawn up, content and method organized and the result evaluated.

3. Curriculum as Process
In this sense curriculum is not a physical thing, but rather the interaction of teachers, students and knowledge. The process of curriculum came into use by educators, it was essential way of helping them to think about their work before, during and after intervention, to enable educators to make judgments about their work., the intervention process between educator and students helping the educators to make judgments about their work, its systematic
process aimed for developing knowledge,
As IFAC defined the education, a systematic process aimed at developing knowledge, skills, other capabilities within individuals, it includes training.

4. Curriculum as Praxis
Curriculum as praxis is development of the process model, compare the two Approaches, process and praxis to know the relation

Table 3: Comparison between different Types of Curriculums

<table>
<thead>
<tr>
<th></th>
<th>Curriculum as Process</th>
<th>Curriculum as Praxis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher enter</td>
<td>An ability to think critically in action</td>
<td>Personal, but shared idea of the good and a commitment</td>
</tr>
<tr>
<td>particular</td>
<td>An understanding of their role, expectation others have</td>
<td>with other</td>
</tr>
<tr>
<td>school and situations</td>
<td>with them and a proposal for action which sets out essential principles</td>
<td>An ability to think critically in action</td>
</tr>
<tr>
<td></td>
<td>An understanding of their role and expectation others</td>
<td>An understanding of their role and expectation others</td>
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<tr>
<td></td>
<td>proposal for action which sets out essential principles</td>
<td>proposal for action which sets out essential principles</td>
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<td></td>
<td>features of educational encounter</td>
<td>features of educational encounter.</td>
</tr>
<tr>
<td>Guided and</td>
<td>Conversations between, and with people in this situation</td>
<td>Conversation between, and with people in the situation,</td>
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<tr>
<td>encourage</td>
<td>out of which may come think, action.</td>
<td>out of which may come informed and committed action.</td>
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<tr>
<td>Continuous</td>
<td>Evaluate the process and what they can see of outcomes</td>
<td>valuate The process and what they can see of outcomes.</td>
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</tbody>
</table>
2.1.3 Concept of Accounting Qualification Requirements

A. Concept of qualification

Oxford Dictionary, \cite{1998:121} define qualification as the action of Qualifying or a pass of an examination successful completion of a course, it is a quality that makes someone suitable for a job or activities and last as a statement that restricts the meaning of another statement.

Therefore, the concept of qualification concern with word or group of words that determine the concept of another word or groups of words, in this concept means an individual is considered to have met specified course through attained or admitted to have this course called qualified, also Oxford defined the qualified in the past or qualifying in the present as an action to meet the necessary standards courses or condition to be able to do or receive something, when the person recognized as able to do work in the particular profession called qualifier which have passed the qualification requirement.

The IFAC in the glossary of terms defined the qualification as a professional Accountant means at a given point in time an individual is considered to have met, and continues to meet, the requirements for recognition as a professional accountant, qualification located between receiving capabilities and applying competence it has relation with capability and competence, capabilities in Oxford Dictionary it means the power or ability to do something. This ability comes through receiving particular things to provide you that ability; those things could be word or group of words. While competence is in oxford dictionary, the quality of being competent, and competent means having the necessary skills or knowledge to do something.
B. Concept of Requirement

The concept of requirement in Oxford Dictionary is something needed or something compulsory, need for purpose, instruct or expect someone to do something. Make compulsory, the minimum required by law.

Explain this point could be through comparing IFAC definition with Oxford

Table 4: Comparison between IFAC and Oxford Definition

<table>
<thead>
<tr>
<th>Capabilities IFAC</th>
<th>Qualified Oxford</th>
<th>Qualifier Oxford</th>
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<tr>
<td>Capabilities are the Professional knowledge and skills, and values that required to demonstrate the competence.</td>
<td>Quality or Qualifying, Qualifying. Meet or met necessary standard or conditions to be able to do or for receive something or become. Officially recognize as able to work in a particular profession.</td>
<td>Competence is a person ready for competition or contest to decide which individual or teams qualify.</td>
</tr>
<tr>
<td>Capabilities are the attributes held by individuals that enable them to perform their roles.</td>
<td></td>
<td>Competition or person being able to work or occupation.</td>
</tr>
<tr>
<td>The possession of capabilities gives an indication that an individual has the ability to perform competently in the work place.</td>
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Competence IFAC

Competence is being able to perform a work role to defined standard with reference to real working environments. It refers to the actions that Individual Undertake to determine whether They can actually perform to the required standard when an individual draws on capabilities to perform the required tasks to the required standard. Competence is deemed to have been achieved.
2.1.4 Relation between the Three Concepts

Mutual recognition agreement {MRA} for the qualification of professional accountant is ruled by GATS and by IFAC and by UNCTAD and by government between countries, but the GATS as a general agreement does not relate to content of accounting education, but to the procedures that should be followed.

The GATS requires that all countries have procedures to verify qualification of professionals from other countries. Though GATS is multinational in scope it does provide for bilateral implementation. Rules set out by GATS are mean to ensure the same privileges for foreign providers and domestic counterparts, to remove discriminatory obstacles and to provide transparency, and part of this transparency is concepts, when GATS mentioned that all countries have procedures to verify qualification, and its known some countries use the concept of accounting education standards as tool for verification or other countries use the concept of accounting curriculum as tool for verification, or use the concept of accounting qualification requirements as tool for verification, while rules set out by GATS are to ensure the same privileges for foreign providers and domestic. Therefore to remove discriminatory and to provide transparency, it necessary to integrate many concepts that may creates conflict between countries. But the integration required if the concepts that discussed above are different, after analyzed the three concepts found there was no different between them.

The researcher selected these three concepts because the international responsible of accounting education in the world used them {UNCTAD used accounting curriculum} and {IFAC used accounting education} and {GAEP used qualification requirements} therefore it is necessary to know about
these concepts and the difference between them after analyzed the characteristics of the three concepts, the researcher found they are similar, for example the accounting qualification requirements included qualification standards as GAEP called and many writers did, these include {accounting knowledge, management knowledge general knowledge, training or experience, final examination}
And accounting qualification requirements included also qualification objective as GAEP called and many writers did, these include {producing a professional accountant}
And accounting qualification requirements included also reword after finished the objective and qualification standards setters or authority, these standards delivering and developing by responsible, and co-operation and co-ordination between many responsible existing to recognize and development these standards.
Therefore the accounting qualification requirements are not just standards, but they are whole system and have same characteristics of education.

Also the accounting curriculum is not only content as a body of knowledge to be transmitted by the teachers by the most effective methods, but the whole system include objectives that set as called qualification objective, a plan drawn up as called qualification standards, then applied, these standards in education environment and the outcomes is (professional accountant) approaches selected for curriculum and method organized and the result evaluated, it is interaction between teachers and students, and knowledge and profession. May be existed in many places that education or curriculum or qualification requirements, but they are not separate, but they have same characteristics.
2.2 Important studies in Accounting Education

The researcher wants to note that the idea of convergence in the accounting education between the countries in the world according to international accounting qualification requirements is recent phenomenon, therefore to find previous studies in this subject quite difficult. As far as the researcher knowledge, found seven studies, the researcher select four studied as indications of the recent and future trends.

The first is: Study of W. Steve Albrecht and Robert J. Sack, 2000
(Why Accounting Education may not survive in the Future)

The second is: Study of Dr. Gert H. karreman, 2002
{Global Accounting Education Project, GAEP}

The third is: Study of R. William Phelps and Dr. Gert Karreman, 2005
{Global Accounting Education Benchmark, GAEB}

The fourth is: Study of K.R. Sharma, 2004
{Accounting Education in South Asia}

2.2.1 Study of W. Steve Albrecht and Robert J. Sack, 2000)

The idea of this research concentrated on two points
First point, what is the position of accounting education at the present?
Second point, what is the position of accounting education for the future?

The starting point was analysis the position of accounting education at the present. The students who entered to the profession face dynamic change in
Business and they came from traditions of academy, even if the academic has capacity, but still traditional, because business has changed quickly by market forces, accounting education is not so nimble it is slowly change by market forces, the hierarchy within universities burdens accounting education, before curricular change can be made, approval must often be given by departmental and college curriculum committees, or university administrators' Traditional higher education, as represented by universities is slow to change.

The fact the bureaucracy protects and insulates them from the real world, such protection allows universities to withstand change and not worry about issues as student placement and competition even though they would like to change and be more relevant by the business world, They are being pulled in two different directions, toward changes and relevance by the business world and toward insulation and apathy by other parts of the academy.

In some ways, the implications of change on education are obvious, university that are educating students to perform services that have been replaced by technology are finding that their students have a hard time finding jobs and that their student numbers decreasing rapidly, therefore the university that have not adopted to change have found that many student, who might have chosen accounting as a major in the past are now opting for more popular and highly paid information system, finance, management, e-commerce, and strategy programs.

Accounting professionals, who have adopted themselves, tell us that our changes are neither fast nor substantive enough we are being told that the
traditional model underlying accounting education no longer exists. Our traditional model looked something like model 5, and this was a nice model because the supply joined the profession.

Table 5: Traditional Model of Accounting Education

Because of the changes exists a new model that looks like model 6

Table 6: Untraditional Model of Accounting Education
This model makes clear the problems that many of our accounting department face. We have capacity that was built for a supply / demand market that has change dramatically, we still have customers for our product, but we have a significantly smaller supply, as a result, other disciplines such as I/S, finance and Strategy, are educating student who are assuming many of the positions previously filled by accounting students.

Reduced supply of accounting student is in turn due to the attractive of other options for individuals who would have been our students – options that are now readily available to them because of changes in the business world.

**Change in the Business Environment**

At least three major developments have occurred that have changed dramatically the business environment for which we prepare graduates;

First Technology has been developed that has made information preparation inexpensive. This technology has taken the form of low cost – high, speed digital and cable video and data transmission, hardware that produces information quickly and easily, and the development of software and that makes preparation, data, and communication tools available to individuals who previously did not have access to needed information.

Second major development that has significantly impacted business is globalization. Faster methods of transportation, together with instantaneous information, have allowed the world to become one giant market place, consumers can now buy products from foreign firms as easily as they can from a local store.
Third major change is the concentration of power in certain market
investors, primarily large mutual fund and pension fund, now hold major
stock positions in many companies, which are mostly international and multi
production companies.

Thus, the influence of these major market players is so significant that, if
they are displeased their positions within the company and they have ability
to control with easily available and inexpensive information about investors,
their competitors large and raised the competitive bar very high and shorten
the periods over which success is measured.

**Results of these Changes**

While these changes have significantly impacted everything we do,
including the way we live, They have had two dramatic impacts on business.

First, they have eliminated the old model that assumed information is
expensive, today anyone, with the right software, can be accountant and
produce financial information

Second, they have dramatically increased the level of competition among
organizations, institutional investors want the best performance and they
want it now.

Global competitors often have different cost structures that can be exploited
to render since information about all organizations is widely available, only
organizations that are truly the best survive and remain successful.
Third, number of business developed because of this change. Some of most obvious are:

An increased pace of change in the business world.
Competitive advantages required better, quicker actions by management
Emergence of new professional services and new companies and new industries

Increased complex business transactions and reduction in rewards for services replaced by technology and unchanged rewards for traditional but needed services, increased rewards for services that help leverage technology and globalization and assist in making better strategic decisions.

Change in financial reporting and relationship with financial markets.

Increased regulatory activity and increased focus on customer satisfaction.

**The Problems of Accounting Education**
The accounting profession community and the business community believe that accounting education has serious problem.

Therefore, the first step in solving the problems is to understand clearly that critics are their to tell us the change in the business world and the accounting profession have convinced us that if serious changes are not made, then accounting education will lost its reference to our business school, to our student and to the employers who might be interested in our students and there are six major problems
1. Problems with Our Course Content and Curriculum

Critics argue that our course content needs a complete overhaul, they claimed that the adding assignments to selected classes or adding a few new classes has not been sufficient; this is a traditional course requirement for accounting. E.g., an introductory accounting course, where debits and credits are taught and when financial statement preparation is emphasized and an introductory managerial course that teaches cost and the preparation of budgets. One or more intermediate courses we call them financial accounting fast, where the students study detailed rules related to financial statement items.

Cost accounting or we call it managerial accounting fast – that reinforces and goes into more details on the topics of managerial accounting.

Several specific auditing and Tax courses where students cover detailed auditing standards and internal revised standards.

While this traditional program may create a good accountant, the business world has told us that they want a good businessperson, and the professional world has highly innovative and they want professionalism, while accounting education has not provided professionalism, what accounting institutions teach no longer matches the core competencies of the Profession.

However the two community whether Business or Profession. They urged the academic community to cover the basics and avoid increasing curriculum with follow on courses. Refining the basic and studying detail in more depth, covering topics in so much detail has led to many criticism regarding accounting curricula and courses content.
Some of the most frequent criticisms are:

a) The courses are often taught as a series of technical rules

b) The curricula are focused on professional examination and right answer.

c) The curricula are narrow, do not expose student to a broad business education, and do not use real – world example;

d) They teach us do not use a global prospective to teach accounting.

e) Teaching too much of what accountants do instead of what they will do.

f) Development of the programs means that students required taking additional content-based courses rather than learning critical skill that will make them successful.

g) The research in accounting education which are trying to help faculty to solve the problem faced they only focus on detailed specialization which carried into classroom.

h) The introductory of accounting classes give students the wrong impression of what accountants do in this globalize world and expansion of technology.

i) Do not teach the students how technology has reshaped everything we do in business. Rather they assume that they have adequately covered technology when they give the students spreadsheet, data base assignments.
2. Problems with Pedagogy

How the teachers feel if they received criticisms that not only the courses content was irrelevant but also the way of delivered the content was flawed? That is essentially what critics, including business community and professional community here are what they say is wrong with the Pedagogy.

a) There is too much emphasis on memorization. The Tests of the student are based on recall on should called trained-monkey approach.

b) There is too much lecture, reliance on text books as a courses drivers and faculty known what are the students needed to become professional accountant in the future

c) They are reluctant to develop creative types of learning, such as team work, assignment with real companies, case analysis, oral presentation, technology, writing assignments involving business, professional in the classroom, and studying current event

d) They do not use enough out - of - classroom experiences – such as internships, filed studies, foreign Business trips, online Internet experiences, shadowing of professionals.

3. Problems with Faculty

The education process over which faculty have significant influence on course content, pedagogy, which we discussed before it has focused on aspect of accounting education department or faculty to see their reaction to the problems they faced therefore, we turn over attention to criticisms of
accounting education that are most departmental or programmatic. Administrators are directly responsible for these program elements resulted their reaction to the change has been made by globalization, technology, fast demand to information to take decision, etc.

To clear the vision we must give example, that what if all business offered the same products or services in exactly the same way?

More even what if all those business had different raw materials and different labor skills and different resources to work with and to bring to the product development process, and different marketing outlets?

In this world of dynamic and fast change, only those business that wisely exploited their strategic advantages would survive, is that not the situation accounting education is in? many accounting education’s institution’s try to prepare students for the same markets with different a meant of resources and different quality of input, a few accounting programs have a distinct personality, most of them are clones of other programs, many faculty focus on teaching to the CPA exam, or providing information to the students how to be professional accountant? in wrong manner that information are expensive or to be accountant at the time of graduation, not for futures.

While this strategic has been successful in the past, where supply capacity and demand were in equilibrium and information preparation one expense, but it will not work in the present and in the future may be some education institutions have defined specific strategy that exploits their strengths and weakness to concentrating on the strengths and avoid the weaknesses.
They use their different resources and different quality of students in proper utilization to be able to strength their competitive. While some of the education institutions will not be competitive in the future if they do not define a specific strategy.

**How we would Structure Future Accounting Programs?**

First of all there is no one model or prescription that all education institutions should adopt to resolve the problems they faced in accounting education, faculty must decide for themselves what their response and what their mission is, and then establish a strategic plan to achieve that mission, we have to accept that and implement it, not only implementation is enough but should be rational implementation.

The beginning is to establish strategic planning for the department and then placing the responsibility for that planning on the most qualified committed.

In conducting the strategic planning, there are several steps that could faculty take and questions they should ask, as the following:

Assess the environment which the programs are facing, this is the first step in the establishing strategic planning process for an accounting education.

**Questions Concern the Employers**

1. Who are the employers of our students?
2. What they expect from us in the present and futures
3. What other opportunities might we develop for our student whether inside country or outside country?
Question Concern the Student
1. Where do our students come from?
2. Where do our students will come from in the future?
3. What do our students expect from us?
4. What do we expect from the student whether increase or decrease?

Question Concern the Faculty
1. What are the strengths and weakness of our faculty?
2. Do we have capacity for the demand or not?
3. What do our faculty strengths and weakness and capacity look like if our students population and demographics change?

Question Concern the Programs
1. Should we continue to provide separate programs in accounting?
2. Should we combine our accounting degree with other degree?
3. Should we combine the education and training together as one program?
4. Should we combine the programs between university, professional bodies?
5. Should we compare our qualification requirement with other nations?

Question Concern the Strategic Planning
1. Are we frankly with ourselves when we establish our strategic planning?
2. Is what we are teaching really important in the environment today?
3. Are we teaching important concepts in most efficient and effective way?
4. Do our deliver methods allow students to develop critical skill?
5. Do our deliver rely too much on lecture and memorization?
6. Do we use sufficient and appropriate out-of-classroom experiences?
2.2.2 Study of Dr. Gert H. Karreman, 2002

The impact of globalization on the accountancy education is the title of this research and known as Global Accountancy Education Project (GAEP) and the author of this project is Dr. Gert Karreman, and the supporter of this research was IAAER (Gert. H, 2002: 18). GAEP was reaction of the GATS agreement in accounting services (Gert, 2002: 21) and global accounting education conferences (Gert, 2002: 16) also specifically international researches or reports (Gert, 2002: 27) one of the very important report among many reports that influenced on the project was (why accounting education may not survive in the future as discussed above) as mentioned in the GAEP page 28.

The objective of the GAEP was to develop a conceptual model for classification the accounting education in various countries in the world which will contribute to understanding the present position and the possible future development of accountancy education in various parts of the world. Also its concerns the possibility of integration the accounting education in the world according to international qualification requirements, for that Gert Karreman integrated the content of accounting education programs that issued by IFAC and UNCTAD.

To this end a conceptual model for the classification of the different accountancy education system in various parts of the world has been developed that used to describe and compare the accountancy education world wide, therefore, to know if there is possibility of integration the accounting education in the world according to international accounting qualification requirements, the researcher started to test and evaluate the possibility of apply one conceptual model for the accounting education in the world, for that the researcher distributed questionnaires among 34
professional bodies in 28 countries from different countries, whether
developed or developing countries and participated in this study different
responsible, international responsible and national responsible which
included academic units and professional units, also various experts.

Thus, the researcher divided the world to eight regions as following
1. North America region {Canada and USA}
2. Middle and South American region {Mexico, Brazil, Argentina}
3. West Europe region {UK, France, Germany, nether land, Spain, Sweden}
4. East Europe region (Czech Republic, Hungary, Poland, Russian, turkey).
5. Far western region (Australia, New Zealand).
6. Africa region (Kenya, South Africa)
7. Middle East region (Lebanon, Saudi Arabia)
8. Asia region (Malaysia, India, Pakistan, Hong Kong, china, Japan)

The research method was inductive, from observation to generalization.
Most of the data were gathered through the consultation of experts, A study
of literature provided general and country information, International
guidelines of (UNCTAD, IFAC, directives No.6 of Europe).

The accounting education programs of (UNCTAD, IFAC, directives No.6 of
Europe) were used as benchmark for comparative reason, and a top-down
structure {final exam, practical experience, and education} was chosen for
the classification.

The central research question was to develop and test and evaluate a
conceptual model for accounting education in the world.
The Global Accounting Education Model came because of three factors:
1. International Standard for Classification Education Programs (ISCED)
2. Selected accounting education by WTO as sample, needed to evaluate.
3. Global Trends for development the accounting education

**Designing of this Model depend on Two Theoretical Assumptions**

1. The definition of accounting education does not include only education and training programs. The usual approach but also include structure and recognition.

2. Accounting education cannot be considered as closing system but influenced by international requirements, concerning accounting education and accounting profession and local accounting profession and country characteristics.

<table>
<thead>
<tr>
<th>Influence of the Accountancy Profession on Accountancy Education</th>
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<tbody>
<tr>
<td><strong>Country characteristics</strong></td>
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<tr>
<td>• Cultural background</td>
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<td>• Legal system</td>
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<td>• Economic position</td>
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<td>• Higher education</td>
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1. Country Characteristics

After tested and evaluated the model, the researcher found the legal system and economic position were the distinguishing factors.

Legal System

Consideration of recent literature and discussions with accountancy education experts worldwide were instrumental in the decision to distinguish common law and civil law as the two major classes relevant for the accountancy profession.

Economic Position

The economic position of countries is found to depend greatly on the gross national product in millions of USD, the gross national product per capita and the number of personal computers per 1000 people. These data discriminate highly between countries, showing a dichotomy between on the one hand countries that in general can be classified as industrialized and countries that in general can be classified as in transition/emerging.

In addition to country characteristics attention is given to professional characteristics. These include the regulation of the accountancy sector (by law, by professional self-regulation, or both), the recognition of the professional body (as a regulatory body, as a disciplinary body, or both) and finally membership of IFAC and regional organizations.

The GAEP shows that overall common law countries have higher professional self-regulation and lower government regulation than civil law countries. Industrialized common law countries score higher in professional self-regulation than common law countries with economies that are in
transition or emerging. For civil law countries the situation is reversed with high government regulation for industrialized countries.

2. Professional Characteristics

Members and New Members
The subjects that are covered are the numbers of members and new members, both male and female and their employment sectors. On this subject in the worldwide, most professional bodies have members in all relevant employment sectors.

The main questions on present membership and on numbers of new members are:
Is the number of qualified members sufficient for labor market needs?
Is the number of new members sufficient for future needs?

3. Accounting Qualification Requirements

Qualification Objective
The main qualification objectives are accountant and auditor. The goal of accounting education and practical experience as defined by IFAC is to produce competent professional accountants capable of making a positive contribution over their lifetimes to the profession and society in which they work. The education and practical experience of professional accountants should provide a foundation of professional knowledge, professional skills, and professional values, ethics and attitudes that enable them to continue to learn and adapt to change throughout their professional lives. For this reason a program of accounting education and practical experience needs to go beyond the traditional approach of "transfer of knowledge".
Qualification Standards

Qualification standards are defined as admission requirements to be member in the accounting profession, they usually include a final examination, professional education and practical experience.

A formal final examination of professional competence is always part of the qualification requirements of countries, and professional education is always available in one form or another, post higher education or included in higher education, and practical experience is generally included in qualification or licensing requirements.

There is however a distinction between professional bodies in the practical experience before the final examination.

The EU 8th Directive requires a final examination of professional competence for auditors recognized by the State. The EU 8\textsuperscript{th} Directive states that a natural person may be allowed to carry out statutory audits only after having attained university entrance level, then completed a course of theoretical instruction, then practical training and passed an examination of professional competence of university final examination level.

If the qualification objective is both accountant and auditor there can be a difference in admission requirements that affects the content of the final examination and the program of professional education or the requirements on practical experience either before or after qualification as an accountant.

On qualification standards they should satisfy themselves that (a) the assessment(s) test the body of knowledge and the ability to apply it; (b) the procedures and policies for its construction, security and marking are
adequate; and (c) there is periodic review of the education and assessment process. However, IFAC member bodies must take responsibility for qualification standards. And share this responsibility with government.

Adherence to IES will help to achieve international recognition of the qualifications of accountants and auditors. Comparability of qualifications has also been addressed by the general agreement on trade in services and European Union. GATS require that all countries have procedures to verify qualifications of professionals from other countries. The EU 8th Directive sets out provisions for recognition of accountancy qualifications on the conditions that (a) the qualification is considered equivalent to that of the member state; and (b) possession of legal knowledge required in the member state is proved.

**Higher Education**

University entrance level before the start of professional accounting education is requested by IES 1, entry requirements to a program of professional accounting education, and by the EU 8th Directive. Worldwide the majority of new accountants and auditors in the countries included in the GAEP have accountancy/finance or business university degree or a general university degree. Higher education has a relatively higher importance in countries that are in transition or emerging. In general the education of accountants is at the same level as the education of other professionals in their country. IFAC recognizes that the starting point of professional accounting education can vary.
Many programs of professional accounting education start at the post-graduate level. Other programs start at the immediate post-secondary education level or at some point at a higher education level that is below of an undergraduate degree. Whichever route is chosen, it is important that all candidates achieve a comparable level of professional competence at the point of qualification.

**Final Examination**

IES 6, assessment of professional capabilities and competence, states that it is the responsibility of IFAC member bodies to have in place assessment procedures ensure candidates admitted to membership are appropriately qualified. A significant proportion of the final assessment should be in recorded form.

The assessment should be reliable and valid, cover a sufficient amount of the whole range professional knowledge, skills, values, ethics and attitudes; and the assessment should be as near to the end of the pre-qualification program as practicable.

The final assessment of capabilities and competence is normally in addition to purely academic qualifications and beyond undergraduate degree level. Professional accounting education may take place in an academic environment or in the course of studying for a professional qualification, but needs to be at least equivalent to degree level study.

In the final assessment candidates need to be able to demonstrate that they have a sound technical knowledge of the specific subjects of the curriculum; and can apply technical knowledge in an analytical and practical manner;
2.2.3 Study of R. William Phelps and Dr. Gert Karreman, 2005

This study was a reaction for the result of GAEP, and concerned the possibility of integration the accounting education between two regions that (West Europe which tested and evaluated by GAEP and East Europe) West Europe (France, Germany, UK) and East Europe (Albania, Bosnia and Herzegovina, Bulgaria, Kosovo, Macedonia, Moldova, Montenegro, Romania, Serbia) This study submitted as report on the results of global accountancy education benchmarking pilot to the United States Agency International Development (USAID)

Global Accounting Education Benchmark Objective

The global accountancy education benchmarking (GAEB) objective is to increase transparency and accountability in transition and developing countries by supporting the development of the accountancy profession. Quantitative assessment tool was developed that measures how well an accountancy body prepares its members to possess both the capability and competency required by international standards.

The results of the GAEB initiative identify urgent and critical gaps in compliance with international standards.

Working with international standard setters, donors, and other stakeholders to close these gaps will contribute to regional and global economic integration, increased trade and investment, better access to risk-based credit, and increased public and private sector confidence and trust in the accountancy profession and in the reliability and comparability of financial reporting and auditing.
GAEB Methodology

The GAEB methodological approach is innovative in the following elements:

a. The depth of the inquiries into compliance with qualification requirements, content of formal education and training, assessment of capabilities and competency and application of technical, personal and ethical skills of the accountancy profession.

b. Quantitatively and qualitatively, in transition and developing countries based on international professional standards and classification.

c. Use of development indicators to identify priorities for future development and need for external support.

d. Effective combination of self-assessment and external validation

e. Regional and country application

f. Global comparability and progress measurement over time

g. Selecting professional accountancy bodies of some countries provides an excellent benchmark sample to test its validity and transferability to other regions in the world.

h. International Federation of Accountant’s (IFAC) and its International Education Standards for professional accountants serve as the framework for the methodology. Capabilities and competency are at the core of this framework.
GAEB methodology use a self-assessment instrument to promotes participatory evaluation of the present position of the participating countries and of the necessary steps towards and international compatible structure. External validation contributes to comparability and reliability. The use of development indicators makes it possible to identify priorities both on consolidated and detailed levels and to measure progress for the relevant indicators through time.

Implementing this methodology involved multiple stages.

1. Project Description

The (GAEB) initiative supports important objectives (e.g. transparency and disclosure) and the United Nations convention against corruption (e.g. preventive measures covering private sector financial transactions, books and records, and accounting standards).

The GAEB initiative accelerates development of the accountancy profession and supporting regional and member institutions as well as region-wide harmonization of financial reporting and professional standards based on global benchmarks.

The GAEB initiative is founded on international standards and best practices derived from sources such as international financial reporting standards, and IFAC of membership obligations, European Union (EU) Directives.

This initiative aims to accelerate the development of the relatively underdeveloped accountancy profession and supporting institutions in transition and developing countries.
The GAEB-initiative employs a regional approach to accomplishing its overall harmonization and institutional development objectives.

The GAEB initiative links, cooperates with, and works with or through international and regional institutions such as IFAC and WTO, UN, World Bank and member professional bodies, in many countries for accountants and auditors.

This initiative provides a regional benchmarking methodology that is transferable throughout the world. That designed from an institutional development perspective.

The GAEB methodology identifies strengths and weaknesses in legal, regulatory and institutional frameworks covering the professional qualification, education and training of accountants and auditors.

Application of the GAEB methodology produces quantitative and qualitative results instrumental for setting the development priorities that must be addressed to strengthen the accountancy profession from an institutional, legal, regulatory, and professional development perspective.

Because the GAEB methodology is specifically designed for development purposes, it can be used to benchmark and monitor regional and country progress in transition and developing countries.

By employing a multi-dimensional modular approach, the GAEB methodology identifies regional leaders in critical areas of professional
development as well as region-wide and country-specific deficiencies calling for technical assistance and support.

Moreover, the GAEB approach to the development and application of its innovative methodology creates new and reinforces existing linkages between and among international standard setters and assessors, regional institutions, national professional bodies, and donors in the development community.

The GAEB initiative provides a common frame of reference for donor coordination.

2. **Innovation of Benchmarking Tool**

The GAEB methodological approach is innovative with its focus on institutional development, and analysis professional qualifications, education and assessment of capabilities and competencies, in regional approach and global comparability.

The results of Global Accountancy Education Project (GAEP) strengthened the GAEB initiative, and the main areas of interest for benchmarking purposes in this pilot project are the position and responsibilities of the professional bodies, the qualification requirements for accountants and auditors, professional education and practical experience.

For each area development indicators are defined and compared with international benchmarks. The use of indicators makes it possible to identify priorities and to measure progress through time, the selected indicators are .
1. **Urgent Development:**
a designation used when there is virtually no local capacity and/or resources to close a serious compliance issue. External development and input of expertise and resources are necessary.

2. **Critical Deficiencies:**
a designation used when limited local capacity and resources are available to resolve compliance problems. External expertise, resources are necessary to achieve results in a reasonable time.

3. **Material Deficiencies:**
a designation used where local assistance and/or resources are available but external assistance would accelerate full compliance with international standards in the near term.

4. **Sustainability:**
indicates either full compliance or differences that can be resolved with existing local expertise and resources in a short time.

The scoring mechanism specifically takes into account local capacity, particularly the need for external assistance in order to overcome missing foundational elements, urgent and critical deficiencies.

This relative assessment reflecting the development stage is more suitable to promote growth to sustainable systems than trying to design absolute measures.
2.2.4 Study of K.R. Sharma, 2004

This study was about the possibility of creation a co-operation and co-ordination relationship between {Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Srilanka} and called South Asian association for regional cooperation {SAARC}

This study has eight objectives, and all of them concentrated on the important of creating co-operation and co-ordination relationship between south Asian countries on one hand and on the other hand with regional and international organizations that have similar aims and purposes {refer to the K.R. .Sharma, 2004: 20, 21}

Mostly this research suggested a common approach for the development of a suitable accounting education system for the countries of the region, this objective was indicated clearly to the promotion for the integration between the countries in the region, through mutual understanding and respect for accounting and auditing and accounting education systems of different countries and thereby contribute to regional cooperation.

Maybe the researcher did not mention directly the integration of accounting education in the region could be according to international accounting qualification requirements, but at the same time mention in page 146, that it is generally difficult to enforce a common curriculum in all the universities.

Yet efforts should be made at national or international level with reasonable level of uniformity and set appropriate standards.
Also the researcher indicated in page 158 about GATS agreement and it's tool that mutual recognition of qualification requirements, and IFAC requirements for education and training of global accountant.

However, the researcher tried to promote the convergence for the present and integration for the future of accounting education in the countries of the region according to international requirements, the important points of this research are two as the researcher concentration {challenge and solution}

**Challenges of Accounting Education**

1. **Social Changes**

The society is growing in all the countries of the world, including in South Asia, in numbers as well as in economic strength. A large number of students entering higher education including business education.

They join education that are expected to offer higher salary, and better life.

With the change in social structure it is also observed that an increasingly larger number of women are joining professional education that provides a good career for women.

The accounting education and accounting training arrangement must be equipped and considering this aspect.

2. **Expansion of New Job Opportunities**

The scope of accounting has expanded a great deal over the last 50 years. It is expected to grow and expand further with liberalization and globalization.
of the economies, emergence of the WTO, growth of multinational companies, interdependence of economies same three points which mentioned and discussed in the first esearch.

In the new market economy a variety of expertise shall be required, for instance, professional expertise shall be required for project formulation and implementation, designing financial structure and raising funds from market for companies, designing and implementing schemes of mergers and takeovers, capital market operations, foreign exchange transactions etc.

This would mean more opportunities and more work for professional accountants in national and international stage.

However, this is expected to put pressure on the existing infrastructure, unless urgent attention is given to this challenge.

In the next millennium the focus seem to be shifting towards service sector, information technology, entertainment, hospitality, consultancy, insurance, banking, international trade, foreign exchange markets etc.

The best attraction to jobs in these areas, and these areas are expected to be highly challenging as well as rewarding.

3. **Multinational Accounting**

The market is expected to impact the accounting profession in a big way. Changes in business organizations such as restructuring organizations, mergers and acquisitions etc. are expected to pose certain challenges.
Globalization has already prompted big accounting firms/foreign entities with strong brand image and logo to extend their reach all over the globe for rendering their services. The SAARC countries are no exception.

However, provide quality service with personal touch to the clients could be possible only if the countries adopt the internationally acceptable practices, and standards.

Accounting education is subject to little regulation at international level. However, gradually the regional bodies like Federation of European Accountants (FEA), Confederation of Asian and Pacific Accountants (CAPA) etc. are becoming stronger.

The United Nations exerted its influence especially through the international working group of experts on international standards of accounting and reporting (ISAR).

The WTO working group on professional services has brought out a draft paper on guidelines for mutual recognition agreements in accounting Sector.

Following these the UNCTAD developed an international benchmark for assessing national accounting credentials to determine whether they meet world standards or not.

The education committee of the International Federation of Accountants (IFAC), have issued International Education Guidelines (IEG) laying down essential requirements for accounting education, which have the potential for
international recognition, acceptance and application, all these actions are expected to change the accounting education.

**Suggested Solution to Face the Challenges**

It has been observed that the efforts for reform the accounting education have taken place so far either in individual’s countries in the region or individuals universities/departments within countries, but with limited interaction, whether between countries in the region or with other courtiers or universities and the professional body in one country.

There is need for formulating an overall policy for accounting education, pooling resources and working for common objectives, rather than individual objectives.

Thus, all stakeholders within one country or with other countries in the region should sit together, discuss an over all policy and a plan of action and work together to face the challenges.

There are differences in accounting education systems, due to cultural, social, and economic, these differences should be identified and minimize to the extent possible.

Mutual understanding and respect for the accounting education systems of other countries is essential and cooperation for learning from each other necessary.

There is a great scope for inter-country cooperation in accounting education among the SAARC countries.
2.3 Conclusion

After the researcher studied and analyzed and understood the important concepts in accounting education that provided by respectable international organizations or writers whom involved in accounting education, thus, the researcher can say that, there are facts we can use them as guidelines.

And after the researcher studied and analyzed and understood the important researches in accounting education that provided by the international researchers, thus, the researcher can say that, there are facts we can use them as guidelines also.

Therefore, those valuable knowledge and different points of views from valuable persons, expertise, could provide valuable guidelines about the trends of accounting education in the world.

May be there is no single trend could be satisfying all countries, but also at the same time could establish reasonable trend as long as suitable trend for all countries not existed.

The globalization integrated many ideas, because the globalization provided two options, to the countries, move with global movement or stop in the global movement.

When the countries are determining the accounting education standards or accounting curriculum or accounting qualification requirements, they should take into their consideration the roles of globalization.
However, the four researchers tried to indicate to the five facts according to the researcher point of views, and these five facts or points are

1. Creation of international macro level due to the globalization

2. Increasing of macro level load to the countries due to the standardization

3. Decreasing of micro levels diversity due to the internationalization

4. Rate of change in micro levels is comparable, due to the increase of benchmark micro level against macro level {load that affected on decrease of micro levels diversity}

5. GATS agreement in accounting services or education services played very important role as motivation for the rate of change in the micro levels of the countries

Mostly these five points suggested a common approach for the development of a suitable accounting education trend for the countries in the world, this trend was indicated clearly in the four researches and the researchers tried to promote the convergence between the countries in the world through mutual recognition and mutual understanding.

Moreover, this approach innovated methodology that may creates new relation between international responsible and national responsible, and donors in development community