

**PROPOSED INTERNATIONAL EDUCATION PRACTICE
STATEMENT FOR PROFESSIONAL ACCOUNTANTS**

*Practical Experience Requirements – Initial Professional Development for
Professional Accountants*

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Introduction

1. International Education Practice Statements (IEPSs) assist IFAC member bodies to implement generally accepted good practice in educating and developing professional accountants by providing advice or guidance on how to achieve this.
2. International Education Standard (IES) 5, *Practical Experience Requirements* states the practical experience IFAC member bodies should require their members to obtain before qualifying as professional accountants. IFAC member bodies will set the detailed experience requirements for their trainees in accordance with this standard.
3. This IEPS provides guidance on good practice in implementing IES 5. Member bodies may also consider this IEPS in the context of their implementation of IES 7, *Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence* and IES 8, *Competence Requirements for Audit Professionals*.
4. The International Accounting Education Standards Board (IAESB) recognizes (a) the wide diversity of culture, language, and educational, legal, and social systems in the countries of their member bodies, (b) the wide variety of functions accountants perform, and (c) that member bodies are at different stages in developing their pre-qualification educational programs. All member bodies are invited to consider the good practice guidance in this IEPS in implementing IES 5 in their jurisdiction(s).

Objectives of a Period of Practical Experience

5. The objectives of a period of practical experience are to:
 - (i) Enable students to develop and demonstrate the professional knowledge; professional skills; and professional values, ethics and attitudes, required to perform their work with professional competence; and
 - (ii) Help students develop the skills they need to maintain competence.
6. Students gain the professional knowledge; professional skills; and professional values, ethics and attitudes they require to perform their work with professional competence in two ways: through formal education, and practical experience. Different combinations of formal education and practical experience are required to achieve qualification in different parts of the world.
7. Although the professional knowledge and skills required by a professional accountant are likely to change as their career develops, the professional values, ethics and attitudes required of professional accountants endure. These are first developed in pre-qualification educational programs, and demonstrated through a period of practical experience.
8. A period of supervised practical experience under the guidance of a mentor enables students to integrate knowledge gained through formal education with experience in real work environments. This leads to a deeper understanding of the capabilities and competence required of a professional accountant than could be gained through formal education alone.

9. Practical experience benefits others as well as the student:
- The **Member body** gains members with the professional knowledge; professional skills; and professional values, ethics and attitudes, required to strengthen the profession and protect the public interest;
 - **Employers** gain employees with knowledge; skills; values, ethics, and attitudes that will add value to the employer's business. They gain assistance from the member body in identifying the employee attributes needed to add that value. Employers that support trainees during their period of practical experience may benefit from greater employee satisfaction and staff retention, and more effective succession planning; and
 - **Mentors** develop their own knowledge and skills (especially interpersonal skills). In many cases, mentoring will count towards mentors' own CPD requirements.

Initial Professional Development (IPD)

10. Developing professional competence through practical experience may be thought of as "initial professional development" (IPD)¹. This is the first stage of a learning continuum that continues throughout a professional accountant's career. After qualification, professional development continues through continuing professional development (CPD). IPD and CPD share a number of common factors, including:
- The focus of both IPD and CPD on developing the professional competence required to perform a work role to the expected standard;
 - The importance of effectively assessing performance;
 - The development by employers of competence frameworks and employee development systems that cover employees both pre- and post-qualification; and
 - The importance of students/professional accountants developing habits of reflection and self-review in relation to their learning activities, leading to a high standard of competent behavior.

Member bodies may, therefore, consider developing an integrated system of professional development that encompasses both pre- and post-qualification.

¹ This term is defined in paragraph 11 below.

Definitions

11. The following terms used in this IEPS are defined in the *Framework for International Education Statements*:

Assessment: all forms of tests of professional competence, whether in writing or otherwise, including examinations, carried out at any time throughout the learning process.

Capabilities: the professional knowledge; professional skills; and professional values, ethics and attitudes required to demonstrate competence.

Competence: being able to perform a work role to a defined standard, with reference to real working environments.

Continuing Professional Development (CPD): Learning activities for developing and maintaining the capabilities of professional accountants to perform competently within their professional environments.

Education: a systematic process aimed at developing knowledge, skills and other capabilities within individuals. It includes “training.”

Learning: a broad range of processes whereby an individual acquires capabilities.

Mentor: professional accountants who are responsible for guiding and assisting trainees and for assisting in the development of the trainees’ competence.

Post-qualification: the period after qualification as an individual member of an IFAC member body.

Practical experience: work experience, undertaken by a trainee or a qualified professional accountant that is relevant to the work of professional accountants. The program of experience enables the individuals’ development of professional competence (including professional behaviour) in the work place and provides a means whereby individuals can demonstrate the achievement of professional competence in the work place.

Pre-qualification: the period before qualification as an individual member of an IFAC member body.

Professional accountant: a person who is a member of an IFAC member body.

Professional knowledge: those topics that make up the subject of accountancy as well as other business disciplines that, together, constitute the essential body of knowledge for professional accountants.

Professional skills: the various types of abilities required to apply professional knowledge, and professional values, ethics and attitudes appropriately and effectively in a professional context.

Professional values, ethics and attitudes are the professional behavior and characteristics that identify professional accountants as members of a profession. They include the principles of conduct (i.e., ethical principles) generally associated with, and considered essential in defining the distinctive characteristics of, professional behavior.

Qualification: 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.

Relevant experience: participation in work activities in an environment appropriate to the application of professional knowledge; professional skills; and professional values, ethics and attitudes.

Student: an individual following a course of study, including a trainee. In the context of professional education, a student is an individual undertaking a course or a program of study deemed necessary for the education of professional accountants, whether general or professional in nature.

Trainee: an individual undertaking pre-qualification work experience and training within the work place.

Training: pre- and post-qualification educational activities, within the context of the workplace, aimed at bringing a student or professional accountant to an agreed level of professional competence.

This IEPS introduces the following new terms²:

Approved Employer: an organization, accepted by an IFAC member body, as providing a suitable environment in which trainees gain relevant experience before qualification as professional accountants.

Initial Professional Development (IPD): Pre-qualification learning activities through which trainees acquire and demonstrate the competence required of professional accountants.

Remote Mentor: a mentor appointed by the IFAC member body to supervise a trainee's period of practical experience, where the trainee's employer is unable to provide a suitably qualified mentor.

² These terms will be added to the *Framework for International Education Statements* when it is next updated.

Scope and Structure of this IEPS

Scope of this IEPS

12. The aim of this IEPS is to provide good practice guidance for IFAC member bodies seeking to implement the requirements of IES 5 – *Practical Experience*. Although IFAC member bodies retain overall responsibility for meeting its requirements, this IEPS also provides guidance for employers, mentors and trainees on their roles and responsibilities regarding a period of practical experience.
13. Member bodies may adopt elements of at least three different approaches to meeting the requirements of IES 5:
 - (a) Input-based approaches — by establishing a set period of practical experience that is considered appropriate for demonstrating competence at time of qualification;
 - (b) Output-based approaches — by requiring professional accountants to demonstrate, by way of outcomes, development of an appropriate level of competence at time of qualification; and
 - (c) Combined approaches — by effectively and efficiently combining elements of the input- and output-based approaches, setting the amount of required experience and measuring the outcomes.
14. Input-based systems have traditionally been used to measure the development of competence because of the ease of their measurement and verification. One of their advantages is that they may facilitate comparison between systems adopted by different member bodies. Input-based approaches have limitations, however. For example, they do not measure performance outcomes or developed competence. As a result, some trainees and professional accountants may not demonstrate their professional knowledge; professional skills; and professional values, ethics and attitudes to the required level, and yet still meet the input-based criteria for measurement and verification.
15. Output-based systems are still in the early stages of development in many parts of the world. It can be difficult and time-consuming to set, measure and verify learning outcomes, but doing this allows trainees to demonstrate the professional knowledge; professional skills; and professional values, ethics and attitudes required of professional accountants.
16. IES 5's requirements for a period of practical experience include (a) a variety of input measures, including the requirement to complete a minimum three-year period of practical experience before qualifying as a professional accountant (IES 5, paragraph 11), and (b) requirements calling for measuring output, such as the requirement that trainees demonstrate competences (IES 5, paragraph 12).

Structure of this IEPS

17. Section 1 provides guidance to member bodies on good practice in meeting the requirements of IES 5 regarding the period of practical experience (IES 5, paragraphs 10 to 17). It suggests how member bodies may (a) meet the requirement for a minimum three-year period of practical experience for trainees to qualify as professional accountants, and (b) use elements of an output-based approach to assess competence developed by trainees during that period.
18. Section 2 provides guidance to member bodies on good practice in meeting the requirements of IES 5 regarding monitoring and control of trainees during the period of practical experience (IES 5, paragraphs 18 to 26), including specific guidance on (a) the roles and responsibilities of the mentor, (b) recording and assessing practical experience, and (c) working effectively with employers.
19. Suggested content (for illustrative purposes only) of practical experience requirements and additional guidance that member bodies may provide for mentors, employers, and trainees are detailed in Appendices 1 and 2 of this IEPS.

SECTION 1: PRACTICAL EXPERIENCE REQUIREMENTS

Overview

20. This section of this IEPS provides guidance to member bodies on meeting the requirement of IES 5 for a period of practical experience to be long enough and intensive enough to permit candidates to demonstrate the professional knowledge; professional skills; and professional values, ethics and attitudes required for performing their work with professional competence, and for continuing to grow throughout their careers (IES 5, paragraph 10).
21. In meeting the requirements of IES 5, member bodies may consider adopting a combined approach – meeting the requirement for a minimum three-year period of practical experience while adopting elements of an output-based approach to assess competence developed by trainees during that period.

Period of Practical Experience³

22. A period of practical experience (a) gives trainees exposure to real workplace activities over time, which contributes to developing and maintaining professional competence, and (b) enables trainees to observe and engage in real-life situations requiring the identification of ethical dilemmas, or situations requiring professional judgment. This helps to develop ethical sensitivity and judgment.
23. IES 5 (paragraph 11) requires the period of practical experience to be at least three years. Member bodies may interpret and express this requirement in a number of ways, including:
 - Setting requirements for trainees to gain experience across a range of specific work-related areas during a minimum three-year period of practical experience;
 - Setting requirements for trainees to gain experience in work-related areas directly related to their intended professional specialism(s) during a minimum three-year period of practical experience;
 - Setting requirements for trainees to complete a set number of hours or days over a defined period to meet the minimum three-year requirement;
 - Setting requirements for trainees to complete a set number of hours or a percentage of the overall period of practical experience in specific work-related areas within the minimum three-year period; and
 - Setting differential requirements of three years or more, depending on the background and intended career path of the trainee.
24. Member bodies may consider setting requirements, as illustrated in paragraph 26 below, for recognizing practical experience gained by a trainee under a program established by another institution⁴.

³ Note – all items in this subsection relate to input measures.

⁴ These may include other IFAC member bodies.

25. Member bodies may also consider setting requirements, as illustrated in paragraph 26 below, for recognizing part-time and/or voluntary work as part of a trainee's period of practical experience.
26. To ensure that experience gained is relevant and still remains valid, in situations such as those described in paragraphs 24 and 25 above, member bodies may set requirements including that:
 - Trainees demonstrate that their experience meets the requirements for practical experience set by the member body they wish to join;
 - Trainees demonstrate the relevance of their practical experience to their current/future role; and
 - Only a portion of the period of practical experience will be recognized by the member body the trainee wishes to join.
27. To ensure that professional accountants gain practical experience relevant to their current and future work roles, and that competence developed through practical experience does not become outdated, member bodies may specify a maximum period in which trainees can gain the required practical experience.

Linking Practical Experience and Formal Education

28. To successfully develop the required professional knowledge; professional skills; and professional values, ethics and attitudes trainees require for performing their work, member bodies may wish to ensure that a trainee's period of practical experience is linked to their formal education constructively and coherently. For example, it may be necessary for trainees to demonstrate a certain level of technical knowledge before exercising professional judgment on that topic. This link may be achieved in at least three ways, including by:
 - (a) Requiring students to complete their formal education before undertaking a period of practical experience; and/or
 - (b) Requiring students to undertake a period of practical experience concurrent with their formal education; and/or
 - (c) Providing a mapping that links the formal education program and practical experience competences/outcomes.
29. Where formal education programs include substantial internships (periods of practical experience undertaken during the accounting education program), member bodies may recognize relevant experience as contributing to the overall practical experience requirement, provided that experience was supervised by a mentor.
30. The IAESB recognizes that some systems of accounting education emphasize the formal education component, which may contain a significant proportion of practical accounting applications. IES 5 (paragraph 11) allows such a period of relevant graduate professional education to count for no more than 12 months toward the practical experience requirement.

31. The IAESB also recognizes that some students may find it difficult to gain practical experience in specific areas. To enable students to demonstrate competence in such cases, member bodies may consider developing simulations and/or similar activities that supplement the required period of practical experience. Activities may include:
- Work-based projects;
 - “In-Tray” type activities⁵;
 - Case studies; and
 - Role-play.
32. Although students may demonstrate some of the professional knowledge and skills required of a professional accountant through simulation, simulation alone is not enough. In particular, simulation does not enable students to fully demonstrate the professional values, ethics and attitudes required of professional accountants. Good practice in this area suggests, therefore, that simulation should not form a substantial part of the overall period of practical experience.

Demonstrating Professional Competence⁶

33. IES 5 (paragraph 10) requires trainees to undertake a period of practical experience that permits them to demonstrate their professional knowledge; professional skills; and professional values, ethics and attitudes.
34. Member bodies will determine (a) the specific competences required of trainees, as appropriate for their environment, and (b) the defined standard for competence in one or more work roles. In setting the defined standard for competence in a particular work role, member bodies may require trainees to demonstrate a continued ability to perform relevant roles or tasks to a level appropriate for qualifying as a professional accountant.
35. A number of areas of professional competence developed through a period of practical experience are common for all trainees (IES 5, paragraph 17). Good practice suggests that member bodies ensure that trainees gain practical experience sufficient to ensure competence in each of these areas. Member bodies may therefore develop and implement a framework similar to that presented in Table 1 below:

⁵ Practical simulations of day-to-day, real work situations (e.g., reviewing and actioning material presented in an in-tray).

Table 1: Competence-Based Practical Experience Framework

	Gaining Responsibility	Business Awareness	Application of Technical Knowledge	Application of Professional Values, Ethics and Attitudes	Information Technology (IT)	Professional Skills
AREAS	<p><i>Working at progressive levels of responsibility</i></p> <p>See IES 5, paragraph 17 (e)</p>	<p><i>An understanding of relevant organizations, how business works, and work relationships</i></p> <p>See IES 5, paragraph 17 (a), (c)</p>	<p><i>The ability to relate accounting work to other business functions and activities</i></p> <p>See IES 5, paragraph 17 (b)</p>	<p><i>Recognizing issues, using knowledge and experience to assess implications, making confident decisions and recommendations</i></p> <p>See IES 5, paragraph 17 (d)</p>	<p><i>Trainees need to demonstrate a general level of knowledge of IT and IT control, plus knowledge and understanding of the competence elements relating to one of the three additional roles set out in IEPS 2.1⁷</i></p>	<p>IES 3, <i>Professional Skills</i>, groups the professional skills required by professional accountants under five main headings:</p>
LEVELS	<p>Level 1 Gathering Information</p>	<p>Understanding relevant organizations, industries and markets and the business risks associated with them; and relevant work relationships.</p>	<p>Understanding the technical basis and content for work.</p>	<p>Developing an enquiring mind through asking pertinent questions, raising helpful queries and identifying issues.</p>	<p>Understanding general IT and IT control issues as they relate to the work of a professional accountant, and their effect on the organization and the business environment.</p>	<ul style="list-style-type: none"> • Intellectual skills; • Technical and functional skills; • Personal skills; • Interpersonal and communication skills; and • Organizational and business management skills. <p>During their period of practical experience, trainees at all levels need to develop these professional skills to a level appropriate for the work being performed.</p>
	<p>Level 2 Analysis and Options</p>	<p>Analyzing relevant organizations' environments, structures and business objectives; and relevant work relationships.</p>	<p>Relating theoretical studies to practical work, and understanding how the breadth of technical knowledge impacts on work.</p>	<p>Identifying key issues and understanding the implications of different courses of action.</p>	<p>Analyzing IT and IT control systems and processes, and understanding the impact of changes in these on the organization.</p>	
	<p>Level 3 Applying Knowledge and Skills in a Real Work Environment</p>	<p>Critically assessing performance, making recommendations for improvement, giving advice, and applying relevant reporting requirements.</p>	<p>Applying technical knowledge in real work environments.</p>	<p>Exercising ethical sensitivity and judgment and applying professional values, ethics and attitudes in real work environments.</p>	<p>Applying general IT and IT control, and user role knowledge and skills to make recommendations for improvement, and giving advice.</p>	

⁷ IEPS 2.1, *Information Technology for Professional Accountants* provides additional guidance for member bodies on the development of IT competences.

36. Individuals undertaking specific work roles will require competences relevant to their roles. IES 8, *Competence Requirements for Audit Professionals*, contains specific requirements for a period of relevant experience required of individuals acting as audit professionals.
37. Where trainees are unable to gain the relevant experience required to qualify as professional accountants, member bodies may consider encouraging them to explore opportunities such as secondments, or job swaps, with their current employer.

Updating Practical Experience Requirements

38. Member bodies may regularly review practical experience requirements to ensure that they remain current and relevant. Competences required of trainees during their period of practical experience change over time. Member bodies may therefore (a) consult with others, including employers, and/or (b) conduct periodic studies, to review the competences required of professional accountants and update their practical experience requirements accordingly.
39. Although minor changes to practical experience requirements can be made as and when necessary, good practice suggests that a member body conduct a major review of these requirements when updating syllabus requirements. This needs to take account of changes in the work and competences required of professional accountants. In conducting the review, member bodies may consult a number of stakeholders, including:
 - Employers (including members of any Approved Employer scheme, and others);
 - Mentors;
 - Professional accountants (i.e., members of the member body); and
 - The academic community.

SECTION 2: MONITORING AND CONTROL

Overview

40. This section of this IEPS provides guidance to member bodies on good practice in meeting the requirements of IES 5 regarding monitoring and control of a period of practical experience (IES 5, paragraphs 18 to 26).
41. Specific guidance is given in this section on (a) the role and responsibilities of the mentor, (b) recording and assessing practical experience, and (c) working effectively with employers (including establishing Approved Employer schemes for those member bodies that choose to do so).

Role and Responsibilities of Mentors

42. Mentors help trainees in many ways, including helping them develop and demonstrate the professional knowledge; professional skills; and professional values, ethics and attitudes required of professional accountants.
43. Mentor responsibilities may vary with the specific environment in which the mentor and their trainee(s) operate. Good practice suggests, however, that all mentors should:
 - Understand trainees' work, and their need to gain practical experience to qualify as professional accountants;
 - Regularly review trainees' experience;
 - Influence the type(s) of trainees' practical experience;
 - Communicate regularly and effectively with trainees, and trainees' line managers where appropriate;
 - Provide trainees with appropriate supervision, mentoring, counseling, and evaluation;
 - Provide feedback to trainees on trainees' practical experience, and assess their achievement of competences; and
 - Report to member bodies on trainees' (a) application of ethical judgment, (b) behavior, and (c) the development of the professional knowledge and skills required to qualify as professional accountants.
44. Member bodies may limit the maximum number of trainees reporting to one mentor, taking into account the need for the mentor to provide each with appropriate supervision, mentoring, counseling, and evaluation.

Establishing a Mentoring Process

45. Member bodies may consider establishing a formal “Mentoring Process”, supported by appropriate documentation (e.g., process flowcharts). It will likely identify key elements of such a process, including:
- Identifying potential mentors;
 - Appointing and/or approving mentors;
 - Monitoring mentors; and
 - Removing mentors who are unable to provide the supervision, mentoring, counseling and evaluation trainees require.

Identifying Potential Mentors

46. An important part of the mentoring process is a mechanism by which suitably qualified and experienced members of an IFAC member body are encouraged to apply to become mentors. This could include:
- Member bodies encouraging suitable professional accountants to volunteer to become mentors (member bodies may publish and advertise the advantages of carrying out this role);
 - Member bodies encouraging employers to identify potential mentors within their organization;
 - Trainees identifying and approaching potential mentors within their organization; and/or
 - Regulatory or similar bodies appointing mentors.

Appointing, Approving and Training Mentors

47. Member bodies may also establish appointment/approval and training systems to enable them to select and train the most qualified applicants. In doing so, member bodies may develop formal criteria for becoming a mentor, similar to those set out in Table 2 below:

Table 2: Suggested Criteria for Becoming a Mentor

Mentors have a current understanding of:	Evidenced by:
The member body's Admissions policy	<ul style="list-style-type: none"> • Maintaining the goals and intent of the member body's admissions policies
The member body's Code of Ethics	<ul style="list-style-type: none"> • Membership in good standing with the member body
The professional and technological issues relevant to practical experience	<ul style="list-style-type: none"> • Participating in continuing professional development and associated activities
The professional knowledge and skills required of trainees studying to become professional accountants	<ul style="list-style-type: none"> • Participating in continuing professional development and associated activities
Issues facing the profession	<ul style="list-style-type: none"> • Participating in continuing professional development
Any other specific requirements and responsibilities in relation to mentoring set by national accounting regulators or others	<ul style="list-style-type: none"> • Participating in a program of mentor training
The expectations associated with the mentoring process	<ul style="list-style-type: none"> • Participating in a program of mentor training
The trainee's work	<ul style="list-style-type: none"> • Maintaining a close working relationship with the trainee

Table 2: Suggested Criteria for Becoming a Mentor (continued)

Mentors are:	Evidenced by:
<p>Able to advise, counsel, evaluate, motivate, and provide direction to the trainee</p> <p>Interested in training future members</p> <p>Available for scheduled consultations with trainees</p> <p>Recognized as a role model</p> <p>Of sufficient professional standing to undertake the responsibilities as a mentor</p> <p>Able to influence (at least to an extent) the work assignments received by trainees</p>	<ul style="list-style-type: none"> • Providing support to the trainee • Seeking advice when appropriate and necessary • Participating in training and development programs for trainees • Engaging in scheduled meetings (face-to-face or virtual e.g., online; video conferencing; teleconference) with trainees • Recognition by fellow professionals as exhibiting professionalism • Personal characteristics and professional stature and experience • Access to the trainee’s line manager(s) and/or personnel manager(s)

48. There is an important difference between a mentor and an individual who “signs off” trainees’ practical experience for the purposes of membership admission. Mentors are expected to provide an appropriate level of (a) supervision, (b) mentoring, (c) counseling, (d) evaluation, and (e) support and advice to trainees, as outlined in Table 2 above. Other individuals are not necessarily expected to do so.

Monitoring Mentors

49. Member bodies may consider establishing a system of periodic monitoring to help ensure that mentors (a) continue to meet the member body’s criteria regarding knowledge, skills and professional standing, and (b) continue to provide appropriate supervision, mentoring, counseling and evaluation for their trainee(s). Such systems could include:
- Desk-based monitoring of mentors (requiring documentation attesting to mentors’ knowledge, skills, professional standing, and activities);
 - Regular (e.g., twice-yearly) training and evaluation sessions for mentors;
 - Obtaining feedback from trainees on their mentors’ performance; and
 - Site visits to mentors (perhaps as part of an Approved Employer site visit).

Table 3 (see paragraph 66) provides further guidance on possible elements of a monitoring system for mentors.

Removing Mentors

50. Member bodies may establish a process for removing mentors if it becomes clear that a mentor is unable or unwilling to provide the appropriate level of supervision, mentoring, counseling, and evaluation for their trainee(s).

Absence of a Suitable Mentor

51. The IAESB recognizes that mentors who are experienced members of an IFAC member body may not be available, particularly in small- and medium-sized enterprises and for training professional accountants in business. In this case, member bodies may need to establish alternatives, which could include:
- a) A team of trained Remote Mentors who meet the above criteria for mentors, and who are available where an employer is unable or unwilling to provide such expertise. In these circumstances, it is essential that the remote mentor, the IFAC member body (and/or regulatory authority), the trainee, and the employer make an extra effort to work together - for example, by establishing a “Mentor Charter for Trainees” that details the required support and the obligations of all parties; and
 - b) Seeking the support of suitably qualified mentors from those providing professional services to the employer, such as accountants and business advisors. Independence rules may prevent the auditor from undertaking this role.

Recording Practical Experience

52. IES 5 (paragraph 19) requires mentors to periodically review trainees' records of practical experience. Member bodies may therefore require trainees to periodically record their practical experience in paper or web-based logbooks, potentially in "real-time" for timely control, audit, and feedback. Using these records, mentors can regularly monitor the relevance, depth, and length of experience.
53. Records of practical experience support the mentor's ability to provide "just in time" feedback to trainees and/or member bodies on any shortcomings well before the end of the training period. The mentor's approval of these records provides:
 - The member body with evidence that the period of practical experience has been properly completed;
 - The employer with evidence useful for appraising employees; and
 - The trainee with evidence of experience that may be used when seeking future employment.
54. Member bodies may review trainees' records of practical experience periodically, or using a random or risk-based sampling methodology.

Assessing Practical Experience

55. As illustrated in paragraphs 33 to 35, and Table 1 above, member bodies may develop a competence-based practical experience framework appropriate for their environment that directs mentors, employers and trainees to the areas in which they are expected to gain practical experience.
56. Where this is the case, member bodies may require the mentor to confirm, in writing, that the trainee has demonstrated the required competences. As discussed in paragraph 34 above, member bodies may require trainees to demonstrate a continued ability to perform relevant roles or tasks to a level appropriate for qualifying as a professional accountant.
57. Mentors may assess trainees' competence in several ways, including:
 - By direct observation of trainees' work;
 - Through third party reports on trainees' work;
 - Through discussion with trainees of their work and learning (e.g., as part of an appraisal process); and
 - Via a formal interview (in conjunction with or in addition to appraisal and/or a performance review interview).
58. Evidence and documentation mentors require to support their assessment of trainees' competence could include:

- Student training records;
 - Learning logs, trainees' learner diaries, or similar records;
 - Critical incident accounts; and
 - Portfolios of evidence (e.g., accounts prepared by the trainee, meeting reports, spreadsheet models, etc).
59. As part of the assessment, member bodies may encourage mentors to provide regular feedback to trainees on their achievement of competences. Good practice suggests that this should take place at least annually (preferably more frequently), rather than only at the end of a period of practical experience.
60. Before admitting a candidate to membership, an IFAC member body may assess the practical experience against its requirements for membership. In these cases, the member body may require candidates and/or mentors to document experience gained and competences achieved, including through:
- Training records signed by the mentor;
 - Trainees' learning logs, or similar records;
 - Trainees' portfolios of evidence;
 - Records of appraisals, performance reviews and/or meetings with mentors; and
 - A report by the mentor to the member body certifying practical experience gained and competences achieved by the trainee.

Working with Employers

61. Employers, in many cases, play vital roles in (a) working with IFAC member bodies and trainees to ensure the completion of a period of practical experience that satisfies member body requirements, (b) identifying and supporting mentors, and (c) helping to match mentors and trainees.
62. In some cases, IFAC member bodies and employers may choose to enter into formal arrangements to provide relevant practical experience and support to trainees. Such arrangements may be titled "Approved Employer" schemes, or similar. Guidance on establishing these is given in paragraphs 64 to 71 below.
63. In other cases, IFAC member bodies and employers may not choose not to enter into any such formal arrangements. Guidance for member bodies on working effectively with employers in such situations is given in paragraphs 72 to 75 below.

Establishing Approved Employer Schemes

64. IFAC member bodies may consider establishing an Approved Employer (or similarly titled) scheme that recognizes employers that provide an environment in which trainees gain relevant experience before qualifying as professional accountants.

65. Approved Employer or similar schemes may recognize employers for a fixed period of time, after assessing their ability to provide relevant practical experience. They may also include a mechanism for renewing approvals after re-assessment. A process for revoking Approved Employer status may also be needed where it becomes clear that an employer is no longer able either to provide relevant practical experience, or to abide by the principles and rules of a member body's scheme.

Assessing and Approving the Practical Experience Environment Before Commencement of Experience

66. Member bodies establishing Approved Employer or similar schemes may encourage employers to adopt four basic principles for trainees' IPD during a period of practical experience, similar to those outlined in Table 3 below:

Table 3: Approved Employer Principles for Initial Professional Development (IPD)

APPROVED EMPLOYER PRINCIPLES FOR INITIAL PROFESSIONAL DEVELOPMENT (IPD)
Employers work with mentors and trainees to identify trainees' development needs.
Appropriate practical experience is provided to meet trainees' development needs, including their need to meet practical experience requirements of the relevant IFAC member body.
Practical experience is monitored by the employer, usually via a mentor appointed by the employer in conjunction with the relevant IFAC member body
Trainees are regularly appraised, at least once per year, and their development needs re-assessed.

67. IFAC member bodies may need to collect and assess evidence from employers to ensure that they are (a) following the above principles, and (b) providing a suitable environment for trainees to gain practical experience. Evidence could include:
- Employment contracts;
 - Job descriptions and role profiles;
 - Employer training policies;
 - Specific documents relating to the roles and responsibilities of trainees and mentors;
 - Staff handbook;
 - Appraisal/performance review documents; and
 - Time sheets.
68. Member bodies may adopt additional requirements for Approved Employers that prepare trainees for qualification in specialist areas, such as audit. In some jurisdictions, such employers are referred to as "Approved Training Organizations," or similar.

Monitoring Employers Previously Approved

69. Periodic monitoring of Approved Employers helps to ensure a continuing, suitable environment for gaining practical experience. Member bodies may therefore establish monitoring systems for Approved Employers that include regular site visits. These could include:
- Meetings with employer representative(s) and reviews of employer documentation and training records; and
 - Meetings with mentors and trainees to determine employer's continued adherence to the Approved Employer scheme.

Establishing a System of Periodic Reporting

70. Where it is impractical to regularly visit all Approved Employers, as described in paragraph 69 above, member bodies may establish alternative systems of periodic reporting that monitor employers' adherence to the Approved Employer scheme, to identify any changes in the nature, scope and content of trainees' practical experience. Such systems could include:
- Periodic, desk-based monitoring of employer documentation and training records; and
 - Obtaining feedback from mentors and trainees (by post, telephone or e-mail) to determine employers' continued adherence to the requirements of the Approved Employer scheme.
71. In establishing a system of monitoring Approved Employers, member bodies may combine elements of periodic site visits and regular desk-based monitoring/obtaining feedback from mentors and trainees.

Working with Non-Approved Employers

72. Employers that are not members of an Approved Employer or similar scheme may still, in many cases, provide the practical experience required by a member body. This is often the case for students training as accountants in business. In such situations, the member body, together with mentors and trainees, will likely need to work with the employer to:
- Plan the trainee's practical experience so that it meets the employer's needs, as well as the practical experience requirements of the member body;
 - Ensure that the trainee gains a breadth and depth of practical experience, at increasing levels of complexity and responsibility; and
 - Provide evidence that the trainee has gained the competences necessary for qualifying as a professional accountant.
73. Member bodies may consider publishing easily available and understandable practical experience requirements and guidance that detail the employers' expected roles and responsibilities (such as those outlined in Table 3 above) before a trainee registers with the member body.

74. Sometimes it is clear that an employer is unable or unwilling to provide the required practical experience. In this case, good practice suggests that the member body inform both the employer and the potential trainee, ideally before registration, that alternative arrangements need to be made to meet the member body's requirements for qualification as a professional accountant.
75. To ensure that the objectives of a period of practical experience are met, regular and effective communication between the member body, the mentor, the employer and the trainee is essential. Good practice suggests that member bodies ensure that appropriate mechanisms are in place to facilitate regular communication between these parties.
76. Member bodies may wish to establish periodic monitoring systems of non-approved employers to ensure that trainees continue to gain the relevant practical experience required to qualify as professional accountants. These could include:
- More frequent/more in-depth monitoring of mentors, to ensure they continue to provide adequate (a) supervision, (b) mentoring, (c) counseling, (d) evaluation, and (e) support and advice to trainees;
 - Obtaining feedback from mentors and trainees (in person, or by post, telephone or e-mail) as to the suitability of the practical experience environment; and
 - Meetings (if possible) with employer representative(s) to discuss trainees' progress and the practical experience environment.

APPENDIX 1 - Member Body Guidance for Employers, Mentors and Trainees

Good practice suggests that member bodies may develop easily accessible (a) practical experience requirements and (b) guidance for employers, mentors and trainees, both of which are clear and appropriate to the environment to which they relate. Suggested content (for illustrative purposes only) of such requirements and guidance is provided below:

Suggested Content of Practical Experience Requirements Relating to Mentors
<ul style="list-style-type: none">• State how mentors may be authorized to act as mentors• Outline mentor obligations• State any ethical principles and conduct (e.g., they must be completing CPD)• Specify who can carry out the mentor role (i.e., experienced members of an IFAC member body)• Specify knowledge and skills requirements for mentors• Clearly state the practical experience requirements and requirements for periodic review of the trainee's experience• Specify the relationship and proximity of the trainee to mentors (e.g., knowledge of trainee's work required)• Specify any training, skills and monitoring requirements for mentors• Identify mentor's role in monitoring and assessing practical experience
Suggested Content of Practical Experience Requirements Relating to Employers
<ul style="list-style-type: none">• Ensure efficiency and cost-effectiveness for employers• Consider different employer needs (e.g., employers in industry, employers in practice)• Reinforce quality of experience and support needed for trainees.• Establish criteria for "Approved Employer" status, the application processes, and the monitoring regime
Suggested Content of Practical Experience Requirements Relating to Trainees
<ul style="list-style-type: none">• Clearly determine the practical experience requirements including records to be maintained• Determine how the mentor and trainee should interact• Outline trainee and member body obligations• State ethical principles and conduct• State how monitoring may be conducted• State how trainees may gain experience in a non-approved employer environment

Suggested Content of Guidance for Mentors

- Technical requirements for practical experience
- Mentor role and responsibilities
- Qualification requirements for mentors
- Knowledge and skills required of mentors
- How to conduct reviews of experience and the importance of feedback to development of trainee
- How planning can contribute to competence development
- Advisory services for problem resolution in mentoring
- Benefits of mentoring to all parties
- How updating of requirements may occur
- Training available for mentors

Suggested Content of Guidance for Employers

- Technical requirements for practical experience – competences, timeframes, recording, and mentor involvement
- Requirements of “Approved Employer” status, and how and when employers will be monitored
- Mentor responsibilities and frequency of trainee reviews
- Effective review methods
- How they may support trainees
- How updating of requirements may occur
- Details of consultative processes to update practical experience requirements

Suggested Content of Guidance for Trainees

- Technical requirements on practical experience – competences, timeframes and recording of experience
- Who can act as a mentor
- How the trainee/mentor relationship should work
- Ways of obtaining experience and gaining employer support
- Benefits of practical experience
- Ethical obligations
- How updating of requirements may occur

APPENDIX 2 - Additional Member Body Guidance for Trainees

In some circumstances, trainees themselves may play a substantial role in establishing suitable conditions for obtaining the practical experience required by their member body. Where this is the case, member bodies may publish additional guidance for trainees to help them:

- a) Obtain employment that will allow them to complete the required period of practical experience;
- b) Obtain guidance from a suitably qualified mentor, enabling trainees to demonstrate the professional knowledge; professional skills; and professional values, ethics and attitudes required of professional accountants; and
- c) Plan and record the period of practical experience to ensure that the objectives of both the trainee and employer are met.

Suggested content (for illustrative purposes only) of such guidance is provided below:

AREA (a) - Obtaining Relevant Employment	
Suggested Content of Guidance	Rationale
Work environment presents exposure to diverse situations and opportunities, and a variety of challenges	Enables trainees to appreciate the variety of workplace challenges and ways to respond to challenges, while being guided in a supportive environment.
Work environment provides trainees with an ethical environment	Enables trainees to develop the required professional values, ethics and attitudes required of professional accountants
Have access to suitable mentors to direct and guide experience	Planning and guidance of experience provided by the mentor enables a better range and depth of experience and learning.
Development opportunities are provided for the trainee	Trainees will be provided with access to learning opportunities as a result of exposure to diverse situations through feedback, and possible further opportunities for appropriate skills/knowledge development.
Achieves the practical experience requirement of their professional body	Enables them to meet the member body's requirements and ensures that they become competent professional accountants.
There is an understanding of what is required to become a professional accountant	There will be clear understanding of the value of practical experience, and trainees' and mentors' roles and responsibilities, enabling them to achieve the necessary requirements in a planned and supported way.
Ideally the work is with an "Approved Employer"	"Approved Employers" provide a supportive environment in which trainees are developed and become competent professional accountants. There is a full understanding of, and compliance with, member body requirements.

AREA (b) – Obtaining Guidance from a Suitably Qualified Mentor	
Suggested Content of Guidance	Rationale
Mentor is an experienced member of an IFAC body	Mentors will have the knowledge, understanding and experience to support trainee development.
Mentor has knowledge and understanding of a trainee’s work	They are aware of the trainee’s work activities and outputs, and can identify the trainee’s strengths and weaknesses/areas for development.
Mentor is able to provide opportunities for the trainee to gain relevant experience	Help with a planned approach to experience to ensure that the trainee increases his/her level of responsibility and achieves the required experience and competence in an effective way.
Mentor has an understanding of the member body requirements	Is aware of what the member body requires of the trainee, and can help incorporate those requirements within the workplace. This provides an efficient way of obtaining experience and demonstrating competence that will meet the member body’s requirements.
Mentor is able to provide guidance and support to the trainee	The trainee is given feedback and coached to achieve the appropriate level of competence. Trainee’s skills are developed and improved.

AREA (c) – Planning and Recording Practical Experience	
Suggested Content of Guidance	Rationale
Alignment of employer objectives and member body requirements	As trainees obtain experience and develop, they continue to add value to their employer’s business. This also provides a structure to achieve the competence required by the member body.
Have clear objectives for attaining competence	There is a planned approach to ensuring demonstration of competences, and satisfaction of the member body’s requirements.
Includes exposure to relevant, up-to-date and emerging work practices	Experience enables trainees to apply in practice what they have studied.
Competences can be achieved	Experience that has clear outcomes and benefits, motivates trainees, and helps to keep them engaged and effective.
Progressive levels of responsibility are given	Trainees will be given responsibility as they demonstrate competence. They will gain broader exposure and increase their reputation with the employer.
Consideration of ethical issues	Trainees will be fulfilling requirements set out in IES4; prescribing the professional values, ethics and attitudes professional accountants should acquire during the education program leading to qualification.
Recording practical experience gained	Assists trainees in planning work activities, understanding and reflecting on how they have applied competence gained at work, and providing evidence to member body of experience gained.