



# The ASEAN Federation of Accountants (AFA) training and development analysis

A RESEARCH PROJECT COMMISSIONED BY THE ASEAN FEDERATION OF ACCOUNTANTS (AFA)

## About ACCA

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ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

We support our 147,000 members and 424,000 students throughout their careers, providing services through a network of 83 offices and centres. Our global infrastructure means that exams and support are delivered – and reputation and influence developed – at a local level, directly benefiting stakeholders wherever they are based, or plan to move to, in pursuit of new career opportunities. Our focus is on professional values, ethics, and governance, and we deliver value-added services through our global accountancy partnerships, working closely with multinational and small entities to promote global standards and support.

We use our expertise and experience to work with governments, donor agencies and professional bodies to develop the global accountancy profession and to advance the public interest.

Our reputation is grounded in over 100 years of providing world-class accounting and finance qualifications. We champion opportunity, diversity and integrity, and our long traditions are complemented by modern thinking, backed by a diverse, global membership. By promoting our global standards, and supporting our members wherever they work, we aim to meet the current and future needs of international business.

## About the ASEAN Federation of Accountants (AFA)

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The ASEAN Federation of Accountants (AFA) was organised in March 1977. It was established to serve as the umbrella organisation for the national associations of accounting professionals of the member countries of the Association of South East Asian Nations (ASEAN). Currently AFA membership comprises of all 10 ASEAN member countries.

AFA is composed of two types of membership. The primary members of AFA are the national organisation of accounting professional representing countries within the territorial jurisdiction of ASEAN and must be the recognised national accounting body of that country created under a specific statute or regulation of that particular country, or in the absence of it, the recognised national organisation of accounting professional in the said country. The associate members are the internationally recognised bodies of accounting professionals of any ASEAN countries or other countries which are friendly to and supportive of the aspirations of ASEAN, even though they may be outside the territorial jurisdiction of ASEAN.

The ASEAN Federation of Accountants was created with the following objectives:

- To provide an organisation for ASEAN accountants for the further advancement of the status of the profession in the region with the view to establishing an ASEAN philosophy on the accounting profession.
- To establish a medium for closer relations, regional cooperation, and assistance among ASEAN accountants.
- To enhance the continuous development of the accounting profession in the region through the joint endeavours of accountants representing the ASEAN.
- To identify and highlight vital problems affecting the accounting profession in the ASEAN region and to formulate proposals towards the solution of these problems.
- To provide ASEAN accountants with a venue for the exchange of the significant information on the accounting profession in the ASEAN member countries.
- To represent the ASEAN accountants in their collective dealings with international accounting and other organisations.
- To work in cooperation with ASEAN business regional groupings whose economic development efforts may be complemented by ASEAN accountants.

## Foreword by the ASEAN Federation of Accountants (AFA)

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### FIRST STEP IN DEVELOPING KNOWLEDGE AND SKILLS OF ASEAN ACCOUNTANTS

ASEAN Federation of Accountants (AFA) as the regional organisation for the professional accountancy bodies in South East Asia recognises the importance of maintaining a respectable level of professional competence within the profession. By having the right competencies, the quality of the profession can be maintained, improved, developed, and promoted in order to support the socio-economic enhancement of the countries within the region, mirroring AFA's organisational mission to elevate the accountancy profession in the ASEAN region.

This report which has been conducted by ACCA on behalf of AFA is a representation of how a globally recognised professional body such as ACCA could assist the development of the profession in the region, through a formal medium such as AFA. AFA acknowledges the experience and expertise that ACCA have with regards to understanding the training and developmental needs of our profession, both regionally and globally. In doing this, it is important to acknowledge the importance of understanding the different condition of the different countries in the region, and to understand the level of skills and knowledge that accountants in each country have.

AFA also acknowledges the importance of welcoming the ASEAN Free Trade Area in 2015. In doing so, it is important to prepare the accountancy profession in each country. AFA works closely with the regulators in the region to discuss the measures that need to be prepared to ensure that the 2015 objective can be achieved. I believe that this report will be a beneficial tool in assisting AFA and all of the member bodies in identifying issues that need to be resolved, particularly those that could disrupt the potential collaboration between countries.

Professional education through training and development is essential in elevating the professional competence of accountants in the region. Sets of both technical and business skills are necessities that must be possessed, in order to ensure the high quality of the accountancy profession. This report illustrates the different needs and means that should be considered by AFA and all of the member bodies. It certainly is a pleasure for AFA to have the commitment of all the member bodies to achieve the objective of having a respectable level of professional competence, and to work together in ensuring the success of achieving this objective.

In conclusion, I highly appreciate the collaborative effort between AFA and ACCA in producing this report. I truly appreciate the participation of our members in ensuring the success of this report, and most certainly the effort of ACCA in organising all of the efforts required to produce such an important, valuable, and influential report. ACCA has proven time and time again to be an important associate member of AFA, bringing many benefits to the member bodies within AFA.

I personally believe that this report could be the one important catalyst in developing the knowledge and skills of ASEAN accountants. Regional cooperation and partnership between professional accountancy bodies can only be achieved when the level of knowledge and skills of the accountants in the region can be maintained to a respectable level. Hopefully this small step could be the beginning of a long process of preparing ASEAN accountants to play their role in the global environment.

On behalf of the ASEAN Federation of Accountants, I hereby present this report to you.

A handwritten signature in black ink, consisting of stylized initials 'KL' followed by a horizontal line.

**Kuy Lim**  
President, The ASEAN Federation of Accountants

## Foreword by ACCA

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### UNDERSTANDING SKILLS REQUIREMENTS WITHIN ASEAN

The importance of partnerships and collaborations between professional accountancy bodies regionally and globally has long been recognised and valued by ACCA (the Association of Chartered Certified Accountants), particularly when it comes to understanding the training and developmental needs of our profession in the 21st century.

This research report is the result of such a collaboration, having been conducted by ACCA on behalf of the ASEAN (Association of South East Asian Nations) Federation of Accountants (AFA) with the aim of understanding the current and future training needs of accountants in the region. It also seeks to identify the gaps which exist between the training requirements and actual professional development provision within ASEAN and explores the possibility of South East Asia's professional accountancy bodies working together more closely to build training and development capacity.

Both ACCA and AFA are mindful of the rapidly evolving future of the accountancy profession and work to continuously monitor and explore the changing role of accountants and the knowledge and skills they will need in future. The aim of this report is to provide insights on these issues to enable AFA members to benchmark their current learning and development strategies for professional accountants to ensure that they are fit for purpose and meet future needs.

### AN E-LEARNING FUTURE

The research findings reveal a continued demand for broad technical knowledge and business skills amongst finance professionals, with national bodies regularly identifying the same areas in which relevant training and development are needed. It also shows that e-learning will become more popular as a channel for the training and development of accountants, despite a number of technical barriers which exist at present, especially in view of the shifting demographics of accountants in the region.

It is encouraging to note that AFA member bodies are keen to collaborate and to work in partnership to achieve our joint aims – of delivering cross-border training and development initiatives to improve the profession.

It is also clear that a holistic and collaborative approach to training and development of professional accountants within ASEAN is a vital issue for all AFA's member bodies; it is also one that must be addressed if their members are to fulfil their potential and to thrive in this increasingly complex and challenging world.

In conclusion, I am delighted that this report is the result of a successful collaboration between ACCA and AFA, drawing on both organisations' insights and experience. I very much appreciate the help and participation of the member bodies within AFA for their participation in this very important and influential project.

This will be an important step towards establishing more effective partnerships, regional cooperation and mutual assistance among ASEAN's national accountancy bodies. ACCA remains committed to working in partnership with AFA and its member bodies and I am delighted to be able to share the findings of project with you.



A handwritten signature in black ink, appearing to read 'Helen Brand'.

**Helen Brand**  
Chief Executive, ACCA

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### ACKNOWLEDGEMENTS

ACCA is extremely grateful for the support provided by the ASEAN Federation of Accountants (AFA) particularly in inviting both primary and associate members of AFA to participate, without which this survey would not have been possible.

AFA and ACCA thank the respondents of this survey for providing comprehensive and candid information and views during the interviews.

### CONFIDENTIALITY

This survey was conducted on a confidential basis. Accordingly, we do not provide information on individual survey responses.

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### The knowledge and skills required of all professional accountants expands and changes rapidly.

Professional accountancy bodies are responsible for ensuring that they have in place within their respective jurisdictions a framework to ensure that their members continue to develop and maintain the competence demanded by their professional roles and their respective stakeholders.

However the access and availability of suitable training and professional development activities may not always be consistent across the ASEAN Federation of Accountants (AFA) member bodies for a number of reasons. These may include (but not limited to):

- the development of the accounting profession in some jurisdictions in ASEAN;
- a lack of sufficient high quality training or training providers in the market;
- resources constraint in markets leading to other priorities taking precedence;
- insufficient analysis into the training and development needs in the market;
- lack of data to validate the existing training gaps in the market; and
- lack of clarity around possible training partners from other AFA member states who can help facilitate and support the professional development of accountants in the market.

Having a robust training framework is essential to ensure that the knowledge, skills, values, ethics and attitudes of professional accountants are developed and will also ensure relevance to both their current and future work and professional responsibilities.

As the global business environment evolves together with the role of the accountants – professional accountancy bodies also have added responsibilities of ensuring that their members have the necessary skill sets to remain relevant to

increasingly complex business operations under greater scrutiny.

This report was designed to support professional accountancy bodies within ASEAN as they look to develop their own training and development programmes for their members and to also understand trends across ASEAN which will support their members' aims for greater cross-border transactions and business activities.

#### KEY FINDINGS

##### How training is delivered to members

How professional accountants across ASEAN seek to obtain relevant skills (both business and technical) as well as what they seek to learn remain broadly consistent – which highlights the fact that across ASEAN, despite the different developmental stages, training needs are closely correlated which increases the scope for greater cross border training partnerships across AFA member bodies.

Current provision of training includes a variety of formats. Short technical CPD seminars (up to three days of length) are the most popular format of delivery – they are offered by all member bodies. Conferences with specific business themes are also popular amongst the members of AFA to provide relevant developmental opportunities for their members.

Membership bodies frequently partner with commercial training providers to supply training to members. A number of AFA member bodies also partner with key employers in their markets as well as universities to provide training for their members.

According to the consultation participants many members prefer to receive their training and development in English although in Indonesia, Myanmar and Vietnam members prefer the training to be delivered in local languages.

The biggest constraints cited in delivering training include the cost of delivering training courses and materials, lack of understanding of current training needs and lack of access to suitable and relevant trainers.

Some of the key preferred learning methods for members within AFA member bodies include conferences, seminars, face to face training courses and discussion groups. This demonstrates professional accountants' interests and desires to seek learning through multiple platforms and mediums. Face-to-face training is the most popular but this is a function of historical and cultural norms.

##### E-learning

Most membership bodies do not currently deliver training and development through e-learning. The exceptions to this rule are CPA Australia and the Malaysian Institute of Accountants (MIA).

The main constraints in delivering e-learning opportunities for members include: cost of delivering e-modules; members preferring more traditional methods of learning; lack of technical expertise to developing and delivering e-modules and courses and the easy access to e-learning opportunities from other vendors.

Despite the current low delivery of training and development opportunities for professional accountants through e-learning – it will grow in popularity as the younger generations start entering the profession and embrace and adopt new technologies quicker.

##### Training requirements – business skills

Analysis and communications skills are cited as the skills considered essential for the future. This reflects the evolution of professional accountants towards a more strategic role that requires greater analysis and communication of the outcomes of the analysis to various stakeholders.

Representatives of membership bodies agree that the supply of analysis skills training by their organisations is essential for members. Most have also listed business awareness, consulting skills, report writing, time management and strategic business writing as essential skills that should be provided by membership bodies. Other business skills (such as coaching and networking skills for example) are seen more as nice-to-have elements and not as critical skill sets.

A number of member bodies do not provide any business training skills due to a limitation of resources and the need to focus more on technical trainings for their members.

### **Training requirements – technical skills**

All respondents agree that it is essential for membership bodies to provide their members with financial reporting training. Almost all agree that the provision of internal and external audit, risk management and financial management is also crucial. The demand for financial reporting also reflects the adoption of the International Financial Reporting Standards (IFRS)

by a number of member bodies within AFA and also the continued evolution of financial standards. Other areas of interest include risk management, management accounting and internal auditing which reflect the prevailing issue that current risk practices needed to be more robust to ensure better governance and better identification of risks.

Survey participants feel that it's less of a priority for their organisations to provide members with sustainability, insolvency, treasury and corporate governance training. Given the lower levels of importance placed on these topics, they are also less likely to be provided for members of the respective bodies. Other reasons for lack of training on specific technical aspects include limited expert knowledge or greater priority being given to training programmes that allow for members to obtain accreditation.

### **Sharing expertise across AFA membership**

Whilst member bodies within AFA are broadly supportive to the idea of sharing expertise and knowledge across markets, there remain concerns over the actual feasibility of any potential collaboration.

There are some limitations such as lack of staff, resources, language barriers and lack of subject matter experts.

Further clarity is also sought on considerations such as cost-sharing, resources-sharing, time commitment and scope of work as well as scalability before any cross-border sharing of expertise is commenced.

However, respondents to the consultation have agreed that AFA can play a leading role in facilitating cross-border training and development of members and provide support to member bodies looking to develop their own training and developmental programmes. A few suggested areas where AFA can support member bodies include providing a platform for the supply of subject matter experts and trainers for training programmes being undertaken by member bodies; sharing existing learning and development programmes and materials (preferably pro-bono) as well as sharing continuing professional development information on a regular basis through an AFA maintained channel (such as website, emails or newsletters).

## Background

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### **INTRODUCTION**

At the 101st AFA council meeting in Hanoi in August 2010, during discussions on the AFA strategic plan, discussions centered around the need for a coordinated training and professional development framework across AFA which will provide a robust and scalable platform enabling potential sharing of training resources and collaboration around professional development themes of interest across AFA member bodies.

In order to do this, ACCA proposed that a study be conducted to understand what the training needs across AFA members bodies are, identifying the gaps that exist between the training requirements and actual professional development provision in the markets, building training and development capacity across AFA member bodies and to study high-level

recommendations to resolve the training and professional development gaps moving forward.

This was also consistent with the guiding principles of the ASEAN mutual recognition arrangement (MRA) framework on accountancy services that was signed by the ASEAN economic ministers (AEM) at the 40th AEM meeting on 25 August 2008 in Singapore.

The MRA framework lays down the broad principle and framework for the negotiations of bilateral or multilateral MRAs on accountancy services among ASEAN member states by providing a structure towards the conclusion of such MRAs. The MRA framework also provides for the exchange of information in order to promote and take into consideration the development of the best practices

on standards and qualifications in the accountancy profession.

### **OBJECTIVES**

The project set out to:

- Identify the training and professional development needs within the profession in the AFA region;
- Directly capture the challenges and issues facing AFA member bodies with regards to training and professional development;
- Explore the future state of accountancy training and profession development and training within ASEAN;
- Provide recommendations to set up a platform linking AFA member training support (through trainers, learning materials and products, studies and researches, etc) to a transnational



## PROFILE OF RESPONDENTS

COUNTRY	PARTICIPATING BODY	NUMBER OF FULLY QUALIFIED MEMBERS	NUMBER OF STUDENTS/ TRAINEES	AGE OF MEMBERS			SECTOR IN WHICH MEMBERS ARE EMPLOYED
				30 or under	31–40	41+	
Australia	CPA Australia	87,000	47,000				
Brunei	Brunei Institute of Certified Public Accountants	48	25	53%	16%	31%	40% are SMEs, 20% in public practice, few in corporate or public sector
Cambodia	Kampuchea Institute of Certified Public Accountants and Auditors	187	47	5%	25%	70%	70% in public practice
Indonesia	Ikatan Akuntan Indonesia	10,000	596	30%	40%	30%	A mix of sectors
Malaysia	Malaysian Institute of Accountants	27,573	n/a	7%	46%	47%	65% are SMEs
Myanmar	Myanmar Accountancy Council	2,000	Yearly intake 50–200	15%	55%	30%	About 99% are SMEs
Philippines	Philippines Institute of Certified Public Accountants	20,337	–	20%	40%	40%	36% in commerce and industry sector, 4% in education sector, 16% in government or public sector, 25% in public practice, 19% all others
Singapore	Institute of Certified Public Accountants of Singapore	24,097	–	14%	40%	46%	41% in public practice, 32% in corporate sector, 10% in SMEs
Vietnam	Vietnam Association of Accountants and Auditors	8,000	0	22%	25%	53%	56% are SMEs

Data correct as at 31 March 2011 and provided by respective participating bodies

training network to address all the issues involved in the development and deployment of flexible, accessible, cost-effective training materials and programmes;

- Recommend what needs to be done to meet the current and future training and education needs of the profession, including priorities in terms of training needs and resources required for implementation; and
- Support the capacity building across the AFA member bodies and ensure a consistent and scalable training and professional development infrastructure in each of their markets and greater cross-border collaboration.

## METHODOLOGY

The feedback from the AFA members was collected through an online consultation. Further discussions with the respondents also took place post-online consultations to validate some of the findings from the surveys.

All primary and secondary AFA members were invited to provide feedback.

The aims of the online consultation were:

- To collect data and views on the existing skills base and future skills needs of the profession;
- To understand current training and development delivery;
- Identify the training and professional development support that is offered by AFA members who have the resources, capacity and necessary training expertise.

Nine senior representatives of following local member bodies took part:

- Ikatan Akuntan Indonesia (IAI);
- Brunei Institute of Certified Public Accountants (BICPA);
- CPA Australia (CPA-A);
- Myanmar Accountancy Council (MAC);
- Vietnam Association of Accountants and Auditors (VAA);
- Malaysian Institute of Accountants (MIA);

- Kampuchea Institute of Certified Public Accountants and Auditors (KICPAA);
- Philippines Institute of Certified Public Accountants (PICPA);
- Institute of Certified Public Accountants of Singapore (ICPAS).

## Current training delivery

### HOW IS TRAINING CURRENTLY DELIVERED TO MEMBERS?

- AFA member bodies frequently partner with commercial training providers to supply training to members.
- A number of member bodies also work closely with universities and employers (including the Big Four and other corporate sector organisations) in their markets to deliver relevant training for their members.
- Half the respondents also work with other professional bodies to provide access to training for their members.
- Short technical CPD seminars (up to three days of length) is the most popular form of delivery – offered by all member bodies – closely followed by conferences.
- Longer technical CPD courses, business skills seminars, and on-line training courses are less commonly used. These formats are currently used by member bodies in Australia, Malaysia and Brunei.
- Few AFA members are delivering training and development through e-learning, the exception to this is CPA Australia and MIA.

### TO RECEIVE TRAINING AND DEVELOPMENT OPPORTUNITIES?

- Preferred learning methods, for both business and technical skills, include conferences/seminars, discussion groups, and face-to-face training.
- Half the respondents (four out of eight) said their members prefer one–two day courses; two said half-day courses are preferred, and one said courses lasting longer than two days are preferred.
- Most respondents (five out of eight) say their members prefer to receive their training and development in English.
- Members of accounting bodies in Indonesia, Myanmar and Vietnam, however, prefer training to be delivered in their local language.

### WHAT ARE THE E-LEARNING AND

'THE CONSTRAINTS FOR MOST OF THE MEMBERS ARE LANGUAGE AND FINANCIAL DIFFICULTY'

'MEMBERS ARE NOT ATTENDING THE TRAINING DUE TO LACK OF REINFORCEMENT'

### ONLINE TRAINING OPPORTUNITIES WITHIN ASEAN?

The main barriers to providing training through e-learning are:

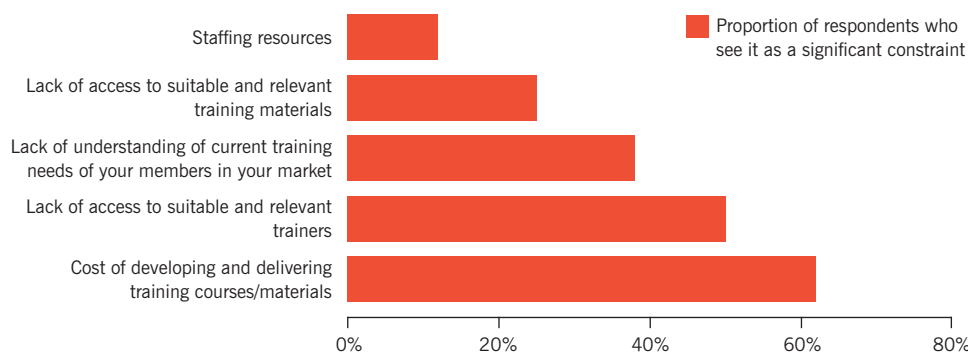
- Cost of building and delivering e-modules;
- Members preferring more traditional methods such as face-to-face training;
- Lack of technical expertise to build e-learning courses/materials.

The e-learning formats members would prefer to use are:

- Audiovisual with slides (video of presenter beside PowerPoint slides);
- Interactive (stepping through questions/quizzes/assessments);
- Online articles (with a bank of related questions); podcasts and virtual scenarios were also cited by respondents as e-learning formats which they feel members are likely to use for their e-learning.

### HOW DO MEMBERS PREFER

#### WHAT ARE THE MAIN CONSTRAINTS IN DELIVERING EFFECTIVE TRAINING FOR AFA MEMBER BODIES?



# Understanding skills requirements within ASEAN

## TECHNICAL SKILLS

### What are the current technical skills required and how are they currently delivered?

#### Technical skills considered to be important by AFA members

- All agree that it is essential for membership bodies to provide financial reporting training.
- Almost all agree that the provision of internal and external audit, risk management and financial management is also crucial.
- Training in sustainability, insolvency, treasury and corporate governance are seen as less of a priority – this may be due to these areas being more specialist and niche.

### How are these technical skills currently delivered

Most technical skills training is provided in-house, however some is provided as a combination of in-house and third party training.

### What are the current gaps in the provision of technical skills training?

- Most technical skills are considered as essential to provide training, and most are provided for, either in-house or through third party suppliers.
- However, there is a significant gap in delivery of business advisory services, despite six out of eight respondents identifying this as essential area of training.
- Most gaps in technical training across the AFA membership are seen in the 'nice-to-have' skills, including:
  - Treasury;
  - Insolvency;
  - Sustainability.

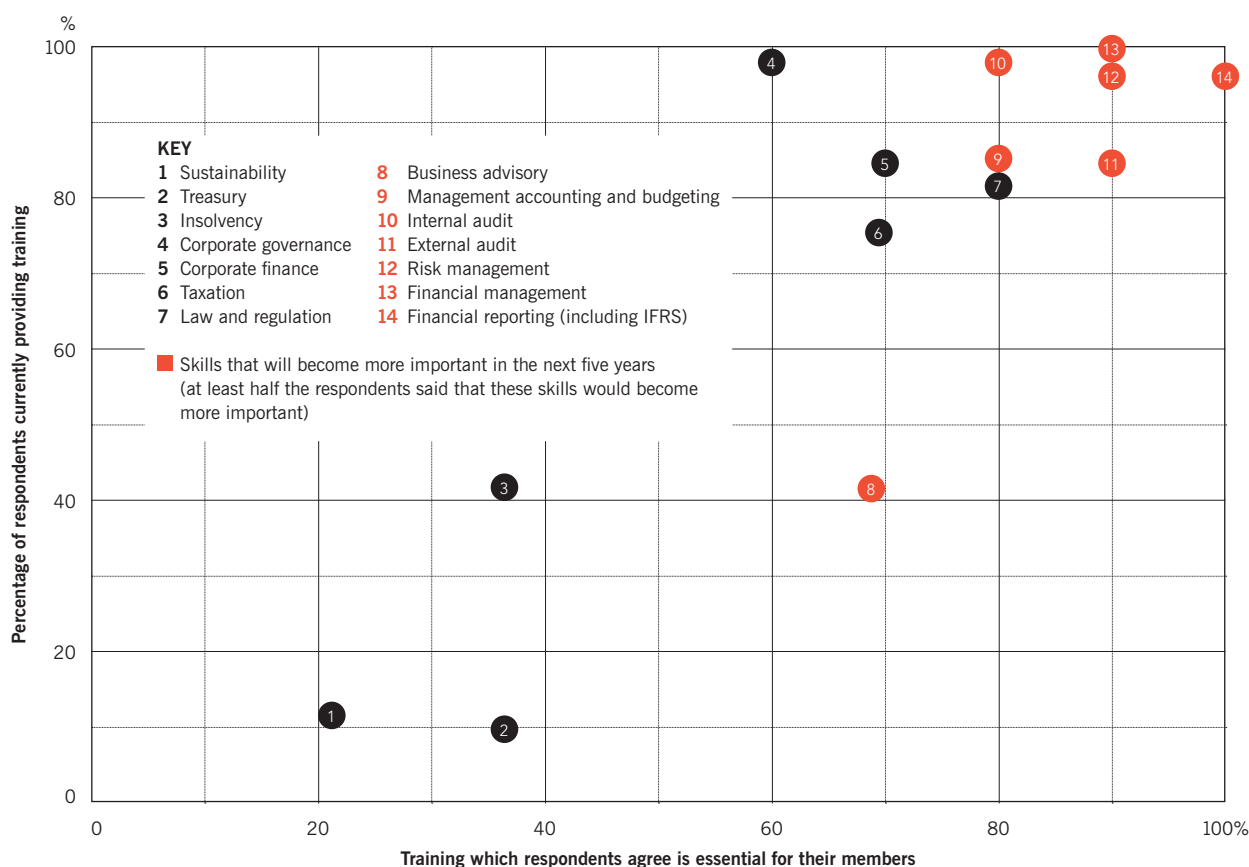
- The gaps that currently exist in the provision of the more specialist technical skills areas are due to the lower importance placed on these skills. Other reasons include limited expert knowledge, or priority given to courses that allow obtaining accreditation or lack of interest/demand.

### What do AFA member bodies think are the technical skills essential for the future?

The technical skills AFA members expect to be important in the next five years are (in order of importance):

- Risk management;
- Management accounting and budgeting;
- Financial reporting;
- Internal audit;
- External audit.

## TECHNICAL SKILLS TRAINING MATRIX



## Understanding skills requirements within ASEAN

### Technical skills seen to be most relevant within broader categories of technical areas

The respondents to the surveys highlighted the following areas to be the key areas of interest for their members:

#### Business advisory services

- Budgeting advice for SMEs.
- Tax/tax planning for SMEs.

#### External audit

- Audit risk and business risk – approaches to planning an audit.
- Quality control of audits (ISQ1 and ISA 220).
- Implementing 'clarity' project updated.
- International standards on auditing.
- Ethics and ethical standards.

#### Internal audit

- Internal audit planning.
- Internal audit assignments in practice.
- Internal audit standards.

#### Risk management

- Strategic and operational risk.
- Assessing effectiveness of internal control.
- Credit management – control, exposure and insurance.

#### Corporate finance

- Financing strategies (including SMEs) financial management.
- Investment strategy and appraisal.
- Management accounting and budgeting.
- Budgeting and strategic financial planning.

#### Financial reporting

- All IFRS and IAS topics seen as important.
- IFRS for SMEs.
- Financial statement presentation.
- First time adoption of IFRS.
- Fair value accounting.
- Income tax and deferred tax.

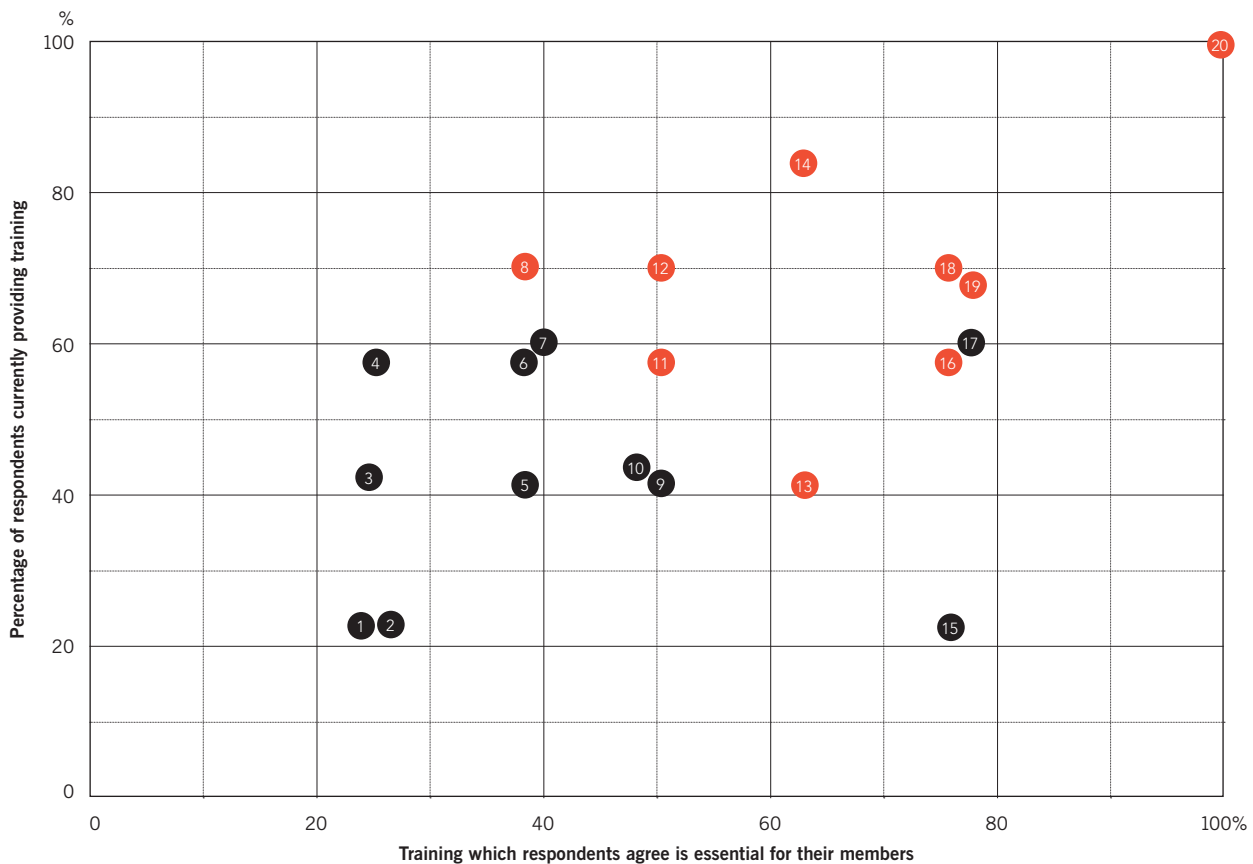
#### Law and regulation

- Fraud reporting.
- Auditor liability.

#### Taxation

- Corporate tax.
- Capital gains tax.
- Income tax.
- VAT/Goods and services tax (GST).
- Tax audit and investigation.

## BUSINESS SKILLS TRAINING MATRIX



#### KEY

- |                     |                       |                        |                       |
|---------------------|-----------------------|------------------------|-----------------------|
| 1 Facilitation      | 6 Line management     | 11 Team building       | 16 Strategic business |
| 2 Change management | 7 Coaching            | 12 Presentation skills | 17 Time management    |
| 3 Motivating        | 8 Project management  | 13 Communication       | 18 Business awareness |
| 4 Negotiation       | 9 Client relationship | 14 Leadership          | 19 Report writing     |
| 5 Networking        | 10 Influencing        | 15 Consulting          | 20 Analysis           |

■ Skills that will become more important in the next five years (at least half the respondents said that these skills would become more important)

## BUSINESS SKILLS

### What are the current business skills required and how are they currently delivered?

#### Business skills considered to be important by AFA members

- All respondents agree that it is essential their organisation provides members with analysis skills training
- Other essential business skills include:
  - Business awareness;
  - Consulting skills;
  - Report writing and strategic business writing;
  - Time management.
- All other business skills are seen more as 'nice-to-haves'. An exception to this rule is Singapore where it is essential that members have access to almost all business skills training through their membership body.

#### How are these business skills currently delivered

- Business skills training is mostly supplied by third party suppliers, with some developed in-house.
- Whilst some essential business skills are provided to members (either in-house or through third parties), others are not provided at all.

### What are the current gaps in the provision of business skills training?

- Respondents identified a number of business skills that they consider essential for their members.
- Analysis skills training, considered as essential by all, is currently provided by all membership bodies.
- However, gaps exist in the provision of training for other essential business skills. Most notable gaps are:
  - Client relationship skills;
  - Communication skills;
  - Consulting skills;
  - Influencing skills;
  - Report writing skills;
  - Strategic business skills;
  - Time management skills.
- The gaps that currently exist in the provision of business skills training are in part due to the priority given to technical skills training.

### What do AFA member bodies think are the business skills essential for the future?

The business skills AFA members expect to be important in the next five years are:

- Analysis skills;
- Communication skills;
- Presentation skills;
- Report writing skills;
- Strategic business skills.

### SHARING EXPERTISE ACROSS ASEAN AND CAPACITY BUILDING

- In principle, AFA members were open to sharing expertise.
- However, views were mixed about the actual feasibility of providing cross-border training and development opportunities to other AFA member organisations:
  - Some respondents would like to obtain further details about sharing expertise;
  - One respondent said that the training would be difficult to transfer due to the fact that training is only provided in the local language;
  - Another said it would be a challenge due to the limitation of resources.
- The key considerations to be reviewed prior to cross-border expertise sharing are:
  - Cost-sharing;
  - Resources;
  - Time commitment required;
  - One respondent felt that any arrangement to share expertise would need to be formalised, eg by way of a contract.

#### Support from AFA

- Respondents would value AFA's support in ensuring their organisation provides relevant and timely training and development for their members.
- Suggested support include:
  - Supplying experts eg speakers and trainers;
  - Sharing of existing programmes (ideally free of charge);
  - Sharing CPE information on a regular basis.

## Conclusion

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**The ASEAN Federation of Accountants training and development analysis findings reveal a continued demand for broad technical knowledge and business skills. There is also a high degree of consistency across ASEAN in the topics selected as relevant training and development areas.**

As to how professional accountants within member bodies like to attain their training and development needs, the consultation indicates that seminars and conferences still top the list of preferred learning mediums among our respondents. It must be noted that e-learning, though still not widely used within ASEAN, will gain increasing popularity (particularly amongst the newer generation of professional accountants entering the profession) and need to be strongly considered as part of professional accountancy bodies within ASEAN.

However, it is also important to note the barriers that respondents face in delivering e-learning solutions to their members. The cost of building and delivering e-modules and the lack of technical expertise to build an e-learning platform feature highly amongst the barriers cited. AFA, as the umbrella body for professional accountants, could consider the possibility of creating a centralised platform for delivery of e-learning training and development opportunities which will help overcome the barriers highlighted above.

It is also useful to note that there is consistency across AFA member bodies in terms of technical skills that are considered to be important in the future (including risk management, financial reporting and internal audit) as well as

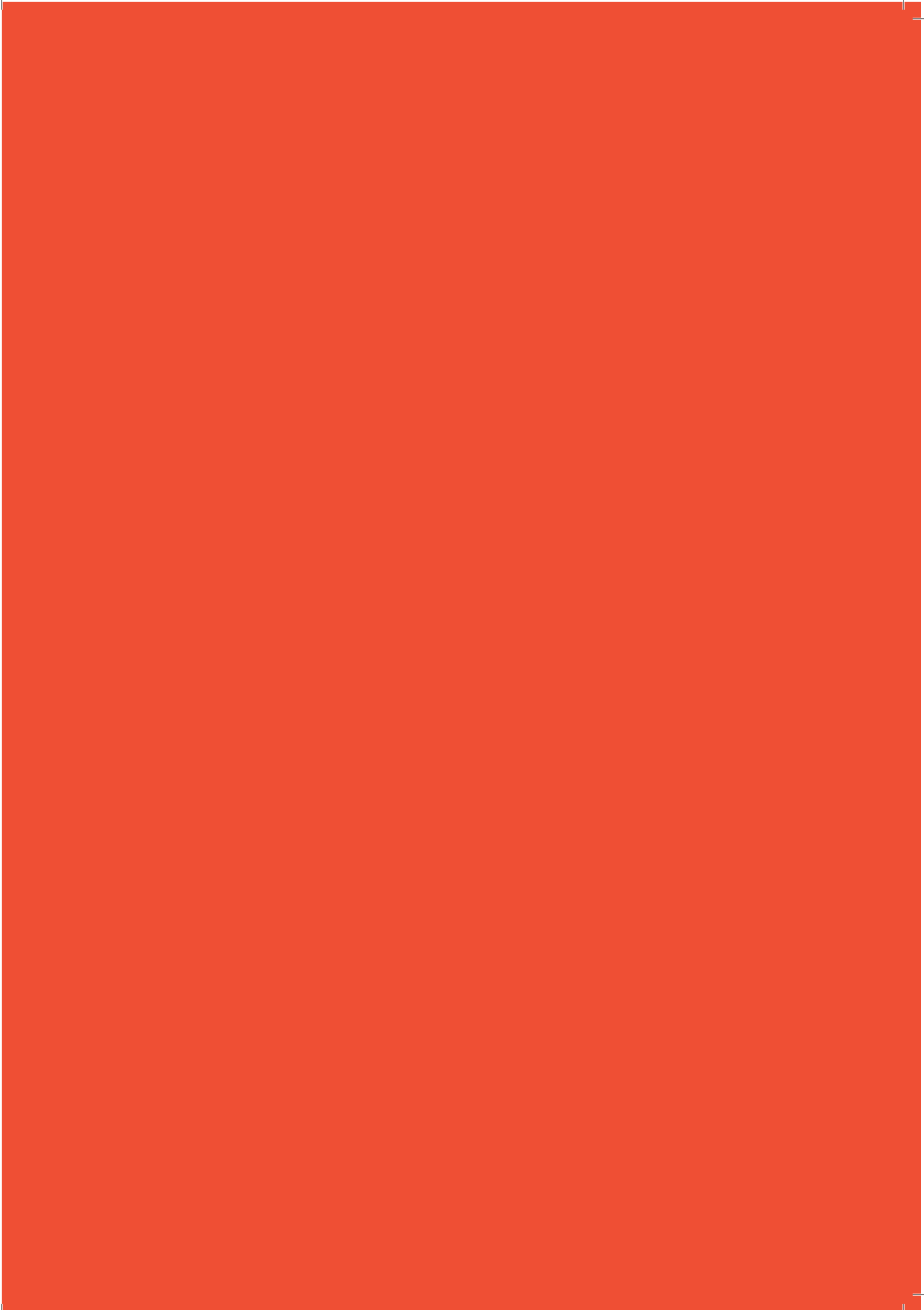
business skills (including analysis and communication skills). This will allow for greater opportunities for cross-border sharing of training and development opportunities and which will help overcome a key constraint of limited resources highlighted by a number of AFA member bodies.

Encouragingly, this consultation also indicates a high level of interest by AFA member bodies to share expertise with fellow professional accounting bodies in the region. There is a real sense of commitment by the member bodies to ensure that the MRA framework signed by the ASEAN economic ministerial grouping on accounting services (which provides for the exchange of information in order to promote and take into consideration the development of the best practices on standards and qualifications in the accountancy profession) becomes a reality.

It is vital that AFA's member bodies continue working closely with one another so as to support the overall efforts by ASEAN governments to implement the ASEAN economic community (AEC) blueprint by 2015. The AEC blueprint will transform ASEAN into a single market and production base, a highly competitive economic region, a region of equitable economic development, and a region fully integrated into the global economy.

The AEC is the realisation of the end goal of economic integration which is based on a convergence of interests of ASEAN member countries to deepen and broaden economic integration. The establishment of ASEAN as a single market and production base will transform ASEAN into a more dynamic and competitive with new mechanisms and measures to strengthen the implementation of its existing economic initiatives; accelerating regional integration in the priority sectors; facilitating movement of business persons, skilled labour and talents; and strengthening the institutional mechanisms of ASEAN.

Increased collaboration, cross-border sharing of training and development programmes for professional accountants by AFA member bodies, joint research and insight into the skills need and training delivery as well as a continued commitment to capacity building within the profession in each of their respective countries will further support the AEC blueprint and help ASEAN achieve its vision of greater economic integration and partnership.



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