

PROFESSIONAL DEVELOPMENT OF ACCOUNTANTS

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Abstract

Professional development (PD) is a process of improving and increasing capabilities of a person through access to education and training opportunities. The objective of PD is the acquisition of useful knowledge for the current and future position. PD contributes to the competence of accountants and, therefore, acceptable activities are those which develop the professional knowledge, professional skills, the attitudes, ethics and professional values of the accountant, relevant to their current and future work and professional responsibilities. Accountants that continue learning are more likely to be successful in their careers. The professional accountant has the responsibility to develop and to maintain his/her continuous professional competence, necessary to offer high quality services to the clients, employers and other stakeholders. The purpose of the paper is to underline the importance of the learning and development through which accountants develop competence, and to identify the role of the Romanian professional organisations in this process.

Keywords: accountants, professional development, training, learning, competence, knowledge, skills

JEL Classification: L44, M40, M53

1. Introduction

The Explanatory Dictionary of the Romanian Language, known under the abbreviation of DEX, defines development as "the action of developing and its result", and to develop (about human beings) as "to evolve growing gradually (physical way); to grow; (about people) to evolve step by step (regarding the intellect)" [18]. For Albert Einstein "intellectual growth should commence at birth and cease only at death". The guide entitled "Dezvoltare profesională a angajaților, femei și bărbați – prin traininguri, promovare și evaluare a performanțelor", intended to trade-union organizations, defines development as "any type of experience or process which contributes towards the development of a person's potential" [19].

DEX explains the word professional as follows: "that pertains to a profession, regarding a profession; which is related to a profession", and the profession is seen as "an occupation, a permanent job, which one exercises, based on an appropriate qualification; complex of theoretical knowledge and practical skills that define one's training" [18]. The notion of profession is "used to define the training of personnel in a particular field of activity" [3].

In an article entitled "Pregătirea și dezvoltarea profesională - drumul bun către performanță", published in *Săptămâna financiară* (2007), professional training is defined as "a training process during which participants acquire the theoretical and practical knowledge necessary to perform their present activity", and PD as "a more complex process, having as objective the acquisition of useful knowledge, both in relation to the current and future position" [21]. Business Dictionary defines PD as "process of improving and increasing capabilities of staff through access to education and training opportunities in the workplace, through outside organization, or through watching others perform the job. PD helps build and maintain morale of staff members and is thought to attract higher quality staff to an organization. Also called staff development" [30].

The present scientific paper analyses the PD of accountants. We have proposed ourselves to evidence the importance of the learning and development through which accountants develop competence.

After literature review on the subject researched, our paper is structured as follows: first we discussed on accounting profession and professional competence, and then we continue with a research on the PD of accountants, with the aim of identifying the role of the Romanian professional organisations in this process. At the end, we formulated the conclusions regarding PD of accountants after the conducted research and analysis.

2. Literature Review

Professional training is a complex process whose main elements are forming and perfecting the employees. In practice these two notions are interwoven and difficult to delimit. Nowadays training occurs as a lifelong process. And training is only part of the complete formation an individual can benefit from during his lifetime. Life can no longer be divided into two periods: the first in which you learn and the second in which you strive to use and apply what you have learned. Human existence represents a single period during which, at every moment, one learns what is most useful, according to the real necessities of the situations one finds itself in and considering the already acquired knowledge and the knowledge foreseen to be necessary. Professional training of employees is the responsibility of the organisation and of the employees alike. This process is a strong yet delicate instrument of enterprise development. Therefore, this process has to be desired by both the organisation and the employee in order to be useful to both parties [2]. Berlingher (2012) researched on training and PD within the Commerce and Industry Chamber (CCI) Maramureş. The conclusion of his study is that the preoccupation with professional training of the business environment is significant therefore a greater accent is put on the training and the PD of this institution's employees, fact confirmed by the foremost place occupied by this type of activities in the strategic objectives of the Managing Council of the CCI Maramureş [2].

Muțiu and Tiron Tudor (2007) analyze and pointed out the first step made by accountants for the accountancy profession in the late of XIX. The formation of a professional association appears as a natural progression designed to provide practitioners with the necessary training to enable them to perform important roles within society. Before the existence of the Body of Experts and Chartered Accountants, regulation of accounting practice was done by the Commercial Code. The companies were required to keep accounting records and their published accounts (or data) had to receive the Commercial Court's visa. The setup of The Body of Experts and Chartered Accountants was a great success reached by the Romanian accountants. In order to achieve their objectives (defending their interests by organizing themselves and by controlling the access to the profession), the accountants had to rise, gain prestige and recognition and thus comply with the institutional pressures [13].

Continuing Professional Development (CPD) plays an important role in maintaining professional competency of the accounting academics. The main aim of undertaking CPD is to acquire new technical knowledge pertaining to a certain profession. In their study, entitled "Continuing Professional Development and Accounting Academics: A Literature Review", Draz and Ahmad (2017) intended to investigate the existing literature on CPD of accounting academics. In reviewing the relevant literature, they have particularly concentrated on these journals: Accounting Education, Journal of Accounting Education, Teachers and Teaching, and Teaching and Teacher Education. The available studies have been classified into three categories and recommendations for the future research work were provided [7].

In his paper, entitled "Professional competence and continuing professional development in accounting: professional practice vs. non-practice", Murphy (2016) examines the perceptions of professional competence and associated CPD practices. He selected participants from one professional accounting body, Chartered Accountants Ireland, and he used a phenomenographic approach to obtain and analyse experiential accounts. The findings highlight significant differences

between perceptions and practices among participants in professional practice and non-practice roles [12].

In her research paper, Nicolau (2009) debates on the methods of PD within the higher educational institutions. The main purpose was to distinguish the importance / the contribution of development methods the didactic personnel that activates in the Faculty of Economics and Business Administration frame [14].

Manea (2009) in an article entitled "Effective Professional Development - Surviving and Thriving in a Downturn" reviews the results of a research project managed by ACCA (The Association of Chartered Certified Accountants), the largest professional accounting and audit body of the world, with the theme: "A changing profession - the evolution of the role of the financial professional, skills and professional aspirations" in the attempt to interpret the data in the current global economic context and thus to help companies to develop their employees more efficiently. The study was conducted at the end of 2007 and gathered the opinions of over 250 ACCA members from 50 countries [11].

Pienazek and Stasiak (2009) analyze AAP's Certification System - Professional Development of Accountants. They note the following: "However, there are differences between the global vision of accounting education and the Polish vision. For example, in the UK qualifications are offered by non-governmental bodies, such as ACCA, CIMA, ICAEW, etc., and in the USA to provide accounting services it is necessary to obtain the certificate of professional accountant issued by AICPA. In Poland, on the other hand, the Ministry of Finance can issue certificates that allow the provision of accounting services to third parties (professional development is not required). (...) Regarding the continuous professional development, only the professionally authorized accountants are obliged to fulfill the continuous professional development requirements. Continuing professional development courses are organized by the Association of Accountants of Poland or other companies accredited by the AAP. In accordance with International Education Standards, the accounting professional must complete 120 hours of training for each three-year period. However, at least 20 hours of training are required each year. Continuing professional development courses cover topics such as: accounting, finance, payroll and human resources, taxation, administration, information technology, professional ethics and others" [15].

In 2010, Constantin published an article entitled "Pregătirea profesională continuă a auditorilor financiari" to explain the professional training requirements of the Romanian financial auditors and the CPD program [5].

3. Analyses and Results

"The accounting profession distinguishes itself from other professions as a result of assuming the responsibility regarding the public interest. This involves the supply of high quality services by professional accountants, which should ensure the necessary information for decision-makers" [4]. The profession of accountant "takes into account the doctrine and practice of accounting. To practice the profession of accountant it is necessary that the respective persons possess the theoretical and legislative knowledge and practical skills necessary to carry out the accounting work" [3]. Dumbravă et al. (2008) consider that "the accounting expert, the authorized accountant or simply the economist working in the field of accounting, must not only be a good executor of the orders of the chief, but he must also be a good lawyer or a refined analyst" [8].

"The rule of professional competence requires technical expertise necessary to carry out the activity of the financial auditor to the highest technical standards. It also requires discipline, attention, conscientiousness in the accomplishment of the tasks. Professional competence requires two important aspects: reaching a level of professional competence through training, practical

experience, etc.; maintaining the level of competence through continuous professional training. Maintaining the level of professional competence requires a continuous awareness of the permanent development of the accounting profession based on relevant national and international regulations in the field of accounting, auditing and other relevant regulations or statutory requirements" [6].

Accounting career development is about determining where an accountant might need more practice, real-life application, or training. A Professional Development Plan (PDP) is part of an evolving process. A PDP is critical to helping a working accountant achieve goals, advance a career, and achieve a high level of success and satisfaction. A PDP is a specific document that outlines goals and timelines for career improvement. Plans should reflect both education and training goals, and identify when each "next step" of the accountancy career will be achieved. Being a professional is about combining what is learned in a classroom and applying those skills to the real world. In other words, it's about collaborating with teams, solving problems, and cultivating and keeping clients [29].

PD is "the prerequisite for employees to be successful. It is the responsibility of both the employee and the company to make sure this happens. Efforts of time, money, information are needed on both sides. For this investment to be truly profitable, there are very clear principles for approaching the professional development process". The PD of the employees is: a key element that supports the profitability of the company, an important aspect/a need of the employees, a factor that determines the motivation of the employees. PD is not: a reward for an employee, for the high performance, a method of retaining the employees within the company, through the training contract signed by the employee [19]. The PD takes place on the whole professional life period under the form of programs organized inside and outside the organization, and assures the improvement of knowledge and abilities, which will allow the persons to unfold their activities in an efficient manner and also to keep up with the institutional and/or functional changes that appear on the way [14].

PD begins with a complete self-assessment. By conducting a self-assessment, it delineates those items that have been accomplished, while presenting a clearer picture of what remains. Once it's completed a thorough assessment of the current skills and career arc, it's time to formulate concrete goals. With a written action plan in place and short and long-term goals identified, an accountant is ready to put together a PDP for the next phase of the accounting career. Committing to a PDP for accountants is essential, but so is executing the plan. After identifying the goals, it is important to track progress. This not only confirms what has been accomplished, but it also helps to see what is left to do [29].

The knowledge needed for an individual to work effectively as a professional accountant, whether in public practice, industry and commerce or in the public sector, continues to expand and change at a rapid rate. Someone cannot be called a professional accountant unless he or she is committed to maintaining and developing competence. Professional accountants face increased knowledge and skill expectations, and this will continue throughout their careers. In order for professional accountants to meet those expectations, therefore, continuing development of professional competence and lifelong learning are critical [1].

"Those who don't find the time for professional development tend to stagnate" [17]. Joe Carroll, Head of Professional Development, Chartered Accountants Ireland, says: "As a Chartered Accountant, or business professional your role is constantly evolving. To maximise your career success, maintaining a competitive edge is more important than ever" [27]. At every stage of the career, there are three core skill areas that an accountant needs to develop and sharpen to truly create an outstanding professional profile [27]:

1. *Leadership Skills*: To become a true leader, there are core skills that an accountant must have. Leadership skills, behaviours and knowledge are used to assess and develop strong leaders.

2. *Technical Skills*: Technical skills are the knowledge, competence and ability needed to accomplish auditing, accounting, reporting and analysis duties. They also relate to IT skills and technology.

3. *Professional and Commercial Skills*: Professional skills refer to the business knowledge, attitude and skills required in order to succeed in a specialised area or profession. They relate to working to and setting high standards. Commercial skills develop the ability to understand exactly what is required, in order to make a business succeed and prosper.

Joel Trammell, Founder and CEO, Khorus Software, said: "Great leaders are great learners. Many businesspeople scoff at leadership advice, thinking that no article or book - or even a training class - is a good substitute for real-life experience. That may be true, but real-life leadership experience can be hard to come by for those who seek to advance. I believe that anyone can succeed if they prepare themselves for the next level in their careers. To do so, you must exploit every opportunity to learn" [17]. The following 10 steps are recommended to keep learning [17]:

1. *Hone a Learning Mindset*: Having a positive attitude towards PD is vital. Set aside time to learn on a regular basis.

2. *Examine Your Decisions*: One difference between great leaders and mediocre ones is a willingness to examine past actions and decisions in order to improve.

3. *Read Regularly*: Read widely, not only about current events but also subjects that can broaden your horizons, such as history.

4. *Write Regularly*: Writing has multiple benefits. It can help you master the content, improve your critical thinking skills, and enhance communication with your various audiences. The more you publish, the better your writing will become. It can also help build awareness for yourself as an expert in your field.

5. *Attend Training Programs* Books and articles only take you so far.

6. *Teach What You Know*: There is no better way to master something than by trying to impart your knowledge and skills to others. It makes you think about the material in new ways. Sometimes you learn more from your "students" than they do from you. Take advantage of opportunities to teach.

7. *Build Self-Awareness*: While it may sound cliché, self-awareness is critical to effective leadership.

8. *Gather Feedback*: You should actively solicit feedback from your employees, your board, and anyone else in a position to provide valuable input. Institute an anonymous feedback mechanism for your employees or engage with a third-party gatherer.

9. *Find Mentors*: Develop relationships with people who have been in your shoes. Speaking of feedback, mentors or coaches are often in a position to give you objective advice that you may not get on the job. Find someone who will give you honest, unvarnished input.

10. *Cultivate Peer Relationships*: You should develop relationships with as many people in your industry as possible. This is important for keeping up with developments and gaining new perspectives and ideas.

Professional accountants must offer an effective and high-quality service to win and retain business and maintain the trust and confidence of their clients. They have an ethical obligation to clients, employers, and other stakeholders to undertake their work with due care and diligence. Maintaining professional competence allows individuals to continue to learn throughout their career, to develop their technical skills, and to keep pace with accountancy changes and innovations. There are many ways that professional accountants maintain their professional competence. Unstructured on-the-job training is probably the most common - this typically includes reading and discussion with others, including networking events. Structured forms of learning tend to be in the form of education products, for example attending training workshops and seminars, e-learning, preparing a research report, studying towards a qualification. It is

important to consider whether professional competence is maintained in a structured or unstructured way since professional accountants generally have CPD requirements that may need to be verified. Unstructured CPD requirements are typically unverifiable whereas structured CPD is verifiable. Professional accountants measure the CPD they have undertaken either through an outputs-based approach which focuses on demonstrated learning, or through an inputs approach which focuses on the quantity of CPD undertaken. Professional Accounting Organizations (PAOs) are an important supplier of CPD to their membership. Professional accounting and auditing firms also provide significant CPD both to their employees and also employees of their clients. In some countries there are specialist training providers that also offer CPD to professional accountants [20].

High quality CPD of accountants and auditors is seen as an enhancement of corporate reporting. It is contended that the CPD of accountants promotes the formation of high-quality corporate reporting. Compliance with CPD requirements by the auditors and accountants can enhance the accuracy and reliability of corporate financial and management reporting. Among the most important areas of need in terms of workforce development are the training of accounting personnel, the improvement of training programs for accountants and auditors, the updating of the training process for regulatory bodies involved in corporate reporting. It is also advisable to provide CPD not only for chief accountants, but also for the younger accounting staff [10].

CPD of Professional Accountants

Founded in 1928, The Association of International Accountants (AIA) is a global membership body for professional accountants, which promotes the concept of ‘international accounting’. AIA had created a global network of world class accountants in over 80 countries worldwide by offering high-quality, relevant and innovative qualifications; alongside the provision of first-class and tailored services for its members around the world. AIA works in the public interest, ensuring that its members are appropriately regulated for the work that they carry out. AIA believes in creating a global accountancy profession; and supports the International Federation of Accountants (IFAC) in their vision of a global accountancy profession recognised as a valued leader in the development of strong and sustainable organisations, financial markets and economies. AIA has adopted IFAC’s Code of Ethics for professional accountants and also incorporates IFAC’s International Education Standards (IES) into their own policies and procedures [23].

AIA defines CPD as following: "the learning and development that you carry out throughout your career, to keep abreast of advancements and changes in the profession, and to ensure you continue to perform your role competently. CPD is an investment that you make in yourself. It’s a way of planning your development that links learning directly to practice. CPD can help you keep your skills and knowledge up to date and ensures the professional standard of your qualification is maintained. It can boost your confidence, strengthen your professional credibility and help you become more creative in tackling new challenges". CPD provides a framework to manage the employees’ PD – including staff appraisals – helping to plan the development needs linked to the business objectives and strategy. CPD strengthens the reputation as a quality employer; it improves staff morale, staff motivation and workplace performance, enhancing staff retention and recruitment. It promotes the investment in staff development and demonstrates to clients and stakeholders the expertise of the workforce. CPD strengthens public trust in the profession, builds stronger accountancy organisations and ensures that the profession is sustainable [24].

The International Accounting Education Standard Board (IAESB) of IFAC has issued International Education Standard (IES) 7. This prescribes the CPD required for professional accountants to develop and maintain the professional competence necessary to provide high quality services to clients, employers, and other stakeholders, and thereby to strengthen public trust in the

profession. This IES is addressed to IFAC member bodies. IFAC member bodies have a responsibility for the CPD of professional accountants as set out in the requirements of this IES [26].

CPD is a continuation of Initial Professional Development (IPD), the learning and development through which individuals first develop competence leading to performing the role of a professional accountant. CPD is learning and development that takes place after IPD, and that develops and maintains professional competence to enable professional accountants to continue to perform their roles competently. CPD provides continuing development of the (a) professional knowledge, (b) professional skills, (c) professional values, ethics, and attitudes, and (d) competence achieved during IPD, refined appropriately for the professional activities and responsibilities of the professional accountant. In addition, professional accountants may take on new roles during their careers that require new competences. In such cases, CPD that includes many of the same elements as IPD may be necessary for roles that require additional breadth or depth of knowledge, skills, and values. In addition to education, practical experience, and training, CPD also includes learning and development activities, such as (a) coaching and mentoring, (b) networking, (c) observation, feedback, and reflection, and the (d) self-directed and unstructured gaining of knowledge [26].

Table no. 1

10 Good CPD practices for Professional Accountants

Good Practice #1	Provide CPD guidance
<i>It is important that CPD requirements are as clear as possible and that members are able to easily access the CPD policy for their reference.</i>	
Good Practice #2	Make the CPD requirement flexible
<i>Structured and verifiable CPD is important to achieve and demonstrate learning outcomes. However, people also can learn effectively in less structured environments and, therefore, unstructured and unverifiable CPD should also be acknowledged and included as admissible CPD. Examples of unstructured and unverifiable CPD include activities such as reading professional literature or attending a large event or exhibition. In providing this flexibility it is important that a minimum level of structured and verifiable CPD is achieved.</i>	
Good Practice #3	Facilitate access to, and choice of, CPD offerings
<i>A good choice of accessible CPD supports members' compliance with requirements and reinforces the importance of maintaining professional competence.</i>	
Good Practice #4	Use a range of learning methods
<i>Good quality CPD is not just about the content, the learning experience is important too. The following learning experiences are provided as examples of CPD: studying for additional suitable qualification, attending a training workshop or seminar, e-learning, delivering training to others, undertaking research/writing a report, reading or watching videos or webinars, attending professional briefings, coaching and mentoring, on the job training.</i>	
Good Practice #5	Monitor compliance with CPD
<i>It is important that some incentives are provided for members to complete CPD in order to balance the disincentives (e.g. time commitment and cost). A good incentive is for PAOs to consistently reinforce the value of life-long learning and recognize members' learning achievements. Members that continue learning are more likely to be successful in their careers. However, given the importance of professional competence, some "regulatory" activities to ensure members are encouraged to comply with CPD requirements are also necessary. Examples of such activities include: requiring members to provide an annual declaration confirming their compliance with CPD requirements; performing an annual "audit" (covering at least 5% of membership) of individuals who make a declaration confirming their adherence to CPD requirements.</i>	
Good Practice #6	Evaluate effectiveness and impact of CPD Programs

It is important that PAOs regularly review their CPD policy and the program they offer members to ensure that they remain "fit-for-purpose". Some practical ways to obtain the information necessary to perform this review include: obtain member feedback on the quality of each CPD event through a feedback form; undertake regular surveys of a sample of members about their overall experience of CPD, including the quality, relevance and price (member focus groups may also be useful); analyze pass rates where learning outcomes are tested. This feedback should be used to develop future CPD programs and revise CPD policies as required.

Good Practice #7 | Promote CPD tools and resources

The more a member is able to plan CPD, the more likely they will optimize their learning. Competency maps can be a good way for members, who are looking for promotion or moving from practice to business (or vice versa), to identify "competency gaps" in their learning. Learning plan templates can also be a good way to capture 'competency gaps' and other desired learning when planning CPD activity.

Good Practice #8 | Integrate CPD Programs and Quality Assurance

Quality Assurance (QA) reviews are largely detective, a more integrated CPD/QA system can be more preventative because it provides members with the opportunity to improve competency before they undertake work.

Good Practice #9 | Enforce CPD Requirements

When PAOs are aware of non-compliance with CPD requirements action needs to be taken. Failure to take action may encourage members to believe that the PAO is not concerned about CPD compliance.

Good Practice #10 | Think strategically and innovatively about CPD

For some PAOs CPD is like a small business and one that could offer potential for additional financial resources with growth. Some suggestions for thinking more strategically about CPD include: investigate options for greater use of technology to reduce CPD variable costs and improve access for members; consider whether non-members may also benefit from some CPD offerings and may be a potential market; listen to your members. Respond to their learning requirements and to their feedback on CPD events - don't assume all CPD is relevant and that your events are creating a good learning environment; ethics can be a point of differentiation for the accounting profession-consider a mandatory component for Ethics (e.g. 1-2 hours every year); price CPD based on its value, offer a range of 'premium' and 'standard' CPD and also facilitate low-cost mechanisms where demanded by members (e.g. self-sustaining special interest groups); consider adding more non-core accounting CPD that members might find relevant (e.g. business, strategic and communication skills).

Source: [20]

Public confidence and trust in the profession is linked to the quality of services it provides: high quality CPD - regular, relevant, accessible and up-to-date - helps professional accountants offer high quality services; low quality CPD - poor content or delivery, infrequent or not relevant - does not comply with international requirements and contributes to inferior accounting practices; a profession that offers an opportunity for life-long long learning is an important element in being able to attract top-talent [20].

CPD for Romanian Professional Accountants

In Romania there are two professional accountancy organizations: The Body of Expert and Licensed Accountants of Romania (CECCAR) and The Chamber of Financial Auditors of Romania (CAFR). CECCAR was established in 1921, and subsequently reestablished in 1992 by Government Ordinance no. 65 of 1994. Up until 1999, CECCAR was the only professional accountancy organization in Romania and was responsible for regulating accounting and auditing

activities in the jurisdiction. CFAR was established by Government Ordinance no. 75 of 1999 and is comprised only of auditors. Both CFAR and CECCAR are members of IFAC as well as Accountancy Europe and the Fédération Internationale Des Experts Comptables Francophones (FIDEF) [16].

In 2004, the Superior Council of the CECCAR approved the Professional Standard No. 38 concerning the CPD of Professional Accountants. These standards are established according to the IES 7, issued by IFAC which stipulates that member organizations should implement a CPD requirement as an integral component of the statute of the professional accountant in economy and society. Such a requirement contributes to the objective of the accountancy profession, namely to provide high-quality services, in order to meet the public needs, including those of the clients and/or the employers of the professional accountants. These standards introduce the concept of CPD, as relevant, verifiable and measurable learning activity, and undertake, develop and adapt, according to the requirements of IES 7, the standards concerning the implementation and the development of the National Program for CPD [25].

According to the fundamental principle of Professional Competence, stipulated in the National Code of Ethics of Professional Accountants, a professional accountant has a continuous duty to maintain professional knowledge and skill at the level required to ensure that a client or employer receives the advantage of competent professional services, based on current developments in practice and legislation. The knowledge needed to function effectively as a professional accountant in public practice (independent accountant), industry, commerce, education and private sector continues to expand and change at a rapid rate. Professional accountants face increased knowledge and skill expectations related to their knowledge and abilities. Together with their professional associations, they face unprecedented scrutiny about the quality of the internal control and governance; in addition, the need to be competitive has prompted a more intense focus on the role and responsibilities of professional accountants working within entities of all types, either public interest or private ones. Continued development of professional competence and lifelong learning are critical if the professional accountant is to meet these expectations.

The CECCAR - as IFAC member, has the duty to ensure that the professional accountants continue to develop and maintain their professional competence demanded by the users of their services. At the same time, the CECCAR has the obligation to promote to professional accountants, stakeholders and the public the benefits of the CPD, highlighting the importance of the continuous improvement of their competence and commitment to lifelong learning [25].

The CPD does not offer on its own assurance that all the professional accountants will provide high-quality professional services all the time; it is necessary, as well, to apply knowledge with professional judgment and an objective attitude. More than that, there cannot be assurance that every professional accountant who participates in a program of CPD will obtain the full benefits of that program because of variances in individual activities and capacity to learn; nevertheless, it is certain that professionals that are not up-to-date on current general and technical knowledge will not be able to provide professional services competently. The objective of the CPD is to assist the professional accountants to develop a professional competence in order to offer high quality services in the public interest.

The CECCAR is promoting the importance of the continuous enhancement of competences and the commitment to learn during the whole active life within the profession, for all the professional accountants. All the professional accountants, irrespective of the professional services they are implied in, have the obligation to develop and maintain their professional competence, relevant for their professional nature and responsibilities. The process of lifelong learning commences early and continues with the educational program to become qualified as a professional accountant and with the programs of PD through an individual's career. The CPD is, therefore, an extension of the educational process which has led to the qualification of the professional

accountant; the professional knowledge, the professional skills, the ethics, the professional values and attitudes gained by the time of qualification continue to develop and are refined appropriately for the professional activities and responsibilities of each individual. According to the obligations stipulated in the Constitution and standards issued by the IFAC, the CECCAR requires all the professional accountants to develop and maintain their professional competence relevant and appropriate to their work and professional responsibilities. The responsibility for developing and maintaining competence rests with each professional accountant [25].

The CPD can be applied to all professional accountants, regardless of sector or size of business in which they operate, because: (a) all professional accountants have an ethical obligation of due care to their relevant clients, employers and all stakeholders and need to demonstrate their ability to discharge this responsibility in a competent manner; (b) the professional accountants in all sectors hold important positions involving financial reporting, public accountability and maintaining the public trust; (c) the public is likely to rely on the professional ethics of the professional accountant; any lack of competence or ethical behaviour of a professional accountant has the same consequences to the professional reputation, irrespective of the sector or role in which they operate; (d) all economic sectors are affected by the rapidly changing environment and the consequential need to adapt the strategic or business plans of entities relying on the competence of the professional accountant; (e) employers hiring professional accountants in any sector rely, at least to some extent, on the professional designation as proof of professional competence.

Each professional accountant is required: (a) to complete at least 120 hours or equivalent learning units of relevant PD activity in each rolling three-year period, of which 60 hours or equivalent learning units should be verifiable; an equivalent unit of PD represents one learning hour or its substantial equivalent (time allocated to an activity); (b) to track and measure learning activities to meet the requirements from point (a); (c) to demonstrate maintenance and development of relevant competences by providing periodically evidence of their objective verification by a competent source. Learning activities mean: participation in courses, seminars and conferences; self-learning modules or trainings organized on-the-job; published professional or academic writing; participation and work on technical committees and commissions of the Body; teaching a course in areas related to professional responsibilities; formal studies related to professional responsibilities; participation as a speaker in conferences or discussion groups; writing technical articles, papers, books; research, including reading professional literature or journals for application in a professional role; professional re-examination or formal testing [25].

The CPD Program of the CECCAR is structured on 10 mandatory areas of activities which represent fields of interest of the professional accountants, namely: the understanding and application of the International Financial Reporting Standards; audit and assurance; financial accounting; accounting and management control; taxation; the economic and financial appraisal of entities; capital markets management; Law - European legislation; professional doctrine and ethics; accounting expertise. Each discipline of the CPD Program is structured on three levels: entry, intermediary, advanced.

The Department of CPD within the CECCAR and the executive directors of the CECCAR's subsidiaries monitor whether professional accountants meet the requirement of CPD. Requirements of CPD are achieved through the National Program for CPD of the professional accountants. The National Program for CPD is elaborated for five-year periods and develops as follows:

1. On different categories of professional accountants: professional accountants, members of the CECCAR; professional accountants in business; professional accountants operating in high risk areas or of public interest;
2. On main activities and areas of work of professional accountants: accounting organization and conduct: financial and management; preparation of financial statements; examination and expertise of financial statements; statutory audit on financial statements; internal audit and

operational audit; tax advice; establishment of entities; assessment of entities and securities; mergers, divisions, associations with parts of an entity; liquidations of entities;

3. On disciplines.

Within the monitoring process, professional accountants are required to submit an annual declaration as to compliance to CPD requirements and to provide evidence of learning activities or verification of competence developed or maintained. The members of the CECCAR who fail to comply with CPD requirements are brought into compliance on a timely basis or, if they persist in wilful non-compliance, are disciplinary sanctioned according to the CECCAR's Regulations, including expulsion or denial of the right to practice [25].

CPD for Financial Auditors in Romania

The CAFR is the competent authority regulating and monitoring the performance of financial audit activity in Romania, other than statutory audit, in accordance with art. 5 par. (2) of the Government Emergency Ordinance no. 75/1999, on financial audit, republished, as subsequently amended and supplemented.

In 2018, the CAFR approved the CPD Norms for financial auditors, in line with GEO 75/1999 on financial audit. Adopted based on IES 7, these norms lead to the application of the CPD concept and prescribe the learning activities meant to develop and maintain the skills necessary to financial auditors, members of the CAFR, to provide high quality financial audits, other than statutory audits. The objective of the CPD in relation to financial audit, other than statutory audit (PPCADAS), is to maintain and develop financial auditors' professional competence necessary to perform their financial audit, other than statutory audit, activities, in accordance with the requirements of relevant professional standards, regulations, norms and provisions [28].

The CAFR requires all its members to develop and maintain their relevant professional competence and responsibilities for the activities set out in art. 3 par. (3) let. b)-e) of the GEO 75/1999. Each auditor is required to observe the PPCADAS requirements necessary to respond to professional challenges and strengthen the confidence in the audit activity. As per the PPCADAS, financial auditors shall undertake 40 hours of CPD, each year, as follows: (a) 20 mandatory CPD hours; (b) 20 optional CPD hours. The mandatory PD includes the attendance to annual mandatory professional courses, organized by the the CAFR, based on the PPCADAS, approved each year by CAFR Council decision. The optional CPD includes the following: (a) attendance to courses/seminars in the field – the number of respective hours attended are equated; (b) conducting courses in the field, as a trainer/lecturer - 20 hours are equated; (c) participating in the activity of a CAFR's working group or of any professional commission appointed at CAFR level or at the level of other relevant professional bodies - 10 hours/meeting are equated; (d) participating in congresses or conferences held by the CAFR or by other national or international relevant professional bodies or institutions (IFAC member bodies) - 6 hours for each specific manifestation are equated; (e) participating in courses held by relevant national or international professional bodies; (f) participating in postgraduate studies, master or PhD in the field - 20 hours are equated; (g) publishing a book in the field - 20 hours are equated; (h) the activity performed as a practical training tutor - 5 hours are equated for every trainee; (i) preparing, publishing and reviewing specialised materials (the document shall have at least 3 pages) – 5 hours/3 pages of material are equated; (j) participating in the publication of studies/research papers/reports/specialised pieces of legislation (the document shall have at least 2 pages) - 5 hours/2 pages of material are equated [25].

The CAFR Admission, Continuous Training and Trainees Department monitors whether financial auditors carrying out the activities in art. 3 par. (3) let.b)-e) of the GEO 75/1999 fulfill the annual CPD requirements required by the norms.

4. Conclusions

"The contemporary world, considered as a whole, but especially the current economic world, is in a continuous movement, manifesting itself as a process in perpetual evolution. Moreover, the whole of humanity leaves the impression that they are still looking for themselves" [9].

The knowledge needed to function effectively as a professional accountant continues to grow. Professional accountants face increased expectations to display professional competence. These pressures apply to professional accountants in all sectors. Continuing development and maintenance of professional competence and lifelong learning are critical if the professional accountant is to meet public expectations [26]. All the professional accountants have the obligation to develop and maintain their professional competence, relevant for their professional nature and responsibilities. A professional accountant has a continuous duty to maintain professional knowledge and skill at the level required to ensure that a client or employer receives the advantage of competent professional services, based on current developments in practice and legislation.

CPD plays an important role in maintaining professional competency of the professional accountants. The objective of the CPD is to assist the professional accountants to develop a professional competence in order to offer high quality services in the public interest. CPD can help the professional accountants keep the skills and knowledge up to date and ensures the professional standard of the qualification is maintained. CPD develops and maintains professional competence to enable professional accountants to continue to perform their roles competently. CPD provides continuing development of the professional knowledge, professional skills, professional values, ethics, and attitudes, and competence achieved during IPD, refined appropriately for the professional activities and responsibilities of the professional accountant. CPD is the necessary condition for professional accountants to be successful. It is the responsibility of both the professional accountant and the professional body to ensure that this happens.

Every ACCA member who is active in the workplace needs to complete CPD on an annual basis, and submit an annual CPD declaration to ACCA [22]. IFAC member bodies may directly provide relevant CPD programs for professional accountants and facilitate access to programs offered by others, including employers. In Romania, both the CECCAR and the CAFR, as members of the IFAC, have the duty to ensure that the professional accountants and financial auditors continue to develop and maintain their professional competence demanded by the users of their services. These PAOs approved and implemented norms on CPD for their members. The CECCAR has the duty to ensure that the professional accountants continue to develop and maintain their professional competence demanded by the users of their services, and requires all the professional accountants to develop and maintain their professional competence relevant and appropriate to their work and professional responsibilities. The responsibility for developing and maintaining competence rests with each professional accountant.

5. References

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