

## Conference Paper

# IFRS Convergence in Accounting Curriculum: How It is Perceived

Aulia Herdiani, Sunaryanto, and Tuhardjo

Faculty of Economics, Universitas Negeri Malang, East Java, Indonesia

## Abstract

The purpose of this study is to examine the response of Intermediate Accounting lecturer to convergence of IFRS in accounting standards in Indonesia (PSAK). This response will affect the act of lecturers in adjusting the curriculum of Intermediate Accounting based on IFRS. The adjusted Intermediate Accounting curriculum will determine how the classroom teaching and learning will be carried out. Finally, students' understanding will indicate how successful the process of learning has been held. This study examines the act of Intermediate Accounting lecturers at public universities in Malang that have vision and mission of accounting department in accordance with IFRS. The respondents are six intermediate accounting lecturers and students taking Intermediate Accounting subject. The result of this study is that currently Intermediate Accounting lecturers have a proper and sufficient knowledge of subject matter. Furthermore, they plan the lesson accordance with the needs and implement it in the classroom as well, so that the students get the right understanding as expected.

Corresponding Author:

Aulia Herdiani  
aulia165.ah@gmail.com

Received: 23 January 2018

Accepted: 5 April 2018

Published: 23 April 2018

Publishing services provided by  
Knowledge E

© Aulia Herdiani et al. This article is distributed under the terms of the [Creative Commons Attribution License](#), which permits unrestricted use and redistribution provided that the original author and source are credited.

Selection and Peer-review under the responsibility of the 1st IRCEB Conference Committee.

**Keywords:** IFRS convergence, curriculum of intermediate accounting, teacher knowledge, teaching and learning process, students understanding

## 1. Introduction

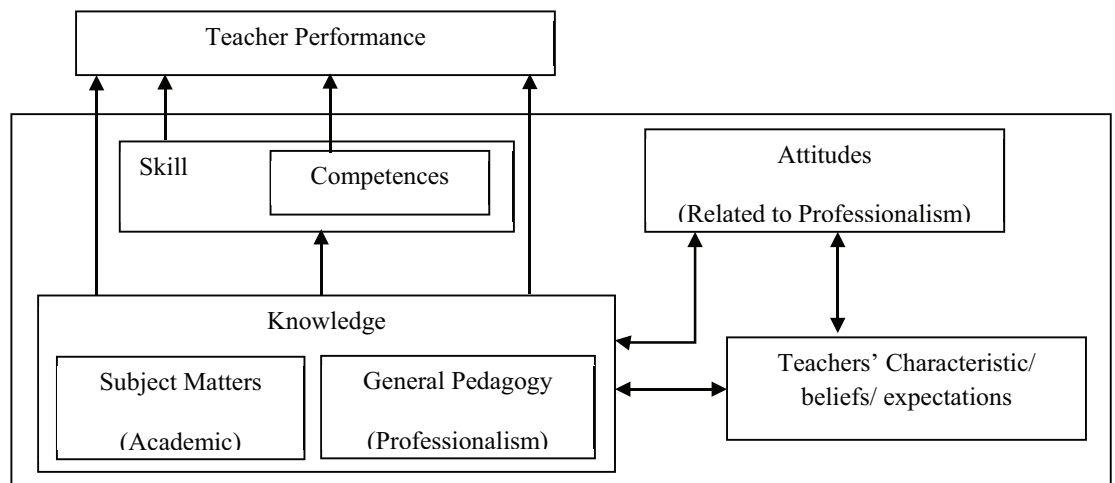
Since the conference of G20 countries leader in Washington D.C. on November 15, 2008 with achievement of five principles planned, including "strengthening transparency and accountability", decided that IFRS is a high-quality standard, enforceable, and generally accepted. Indonesia as a member of G20 needs to carry out IFRS convergence as well. In this case, Indonesia has carried out IFRS convergence by harmonization, yet full convergence needed to be implemented in 2012. Business practitioners has gradually accepted IFRS Indonesia; a MoU regarding IFRS convergence was signed by Indonesia State-owned Enterprises (BUMN) and the implementation was supervised by Indonesia Accounting Association.

 OPEN ACCESS

In education, adjustment has been done due to IFRS convergence carried out by each G20 countries. Since technology, information, and society needs will always be growing, thus a curriculum need to adjust that changes [5]. IFRS has been integrated fully in higher education curriculum in Indonesia since January 1, 2012. The adjustment of Intermediate Accounting curriculum should be done and based on relevancy principle (Department of Education and Culture, 1982) towards the learning set used including syllabus, lesson plans, and references ([9, 20, 23], Sukmadinata, 1988). Nonetheless, it is urged to concern on how to integrate and to implement IFRS convergence in Intermediate Accounting curriculum and how it will affect students' competence. In this case, the competence of lecturers plays an important role.

Effective teaching experiences will support the process of curriculum development. Westera model (2001), as shown in Figure 1, describes that lecturers' performance is based on the knowledge possessed (e.g. subject matter and general pedagogy), directly related to the competences, characteristics, and attitude of lecturers. Passos (2009) stated that the competences and effectiveness of lecturers play an important role in enhancing students' performance based on educational aims. In this case, lecturer's subject knowledge defines what lecturers need to deliver and how they will deliver it. A lesson is subject to general pedagogy aspect, including knowledge of class organization and management, general knowledge of subjects, and general teaching methods. Hence, lecturers need to enhance their competences by involving in related educational trainings. Further, Passos (2009) explained that student's achievement is also influenced by the magnitude of lecturer competences, while the magnitude of lecturer competences is based on the training curriculum. Similarly, Shulman (1986) described three types of knowledge: 1) content knowledge, shows the magnitude and management of knowledge in lecturer's mind that is well defined in Bloom Cognitive Taxonomy; 2) pedagogical content knowledge, which get beyond subject knowledge to subject knowledge based on learning purposes, thus the formulation of subject knowledge will be easily understood by learners; and 3) curricular knowledge, a knowledge of specific lesson plans, including learning attributes which indicate and contra-indicate the success of particular curriculum in given condition.

Cheng (1998) developed Teacher Effectiveness of Medley (1982) by adding two aspects, teacher evaluation and professional development. The structure of lecturer effectiveness in classroom, described in Figure 2, is a comprehensive structure that merges the perspective of lecturer characteristics, lecturer attitude, and processing results of lecturer perspective toward association notes between lecturer competence,

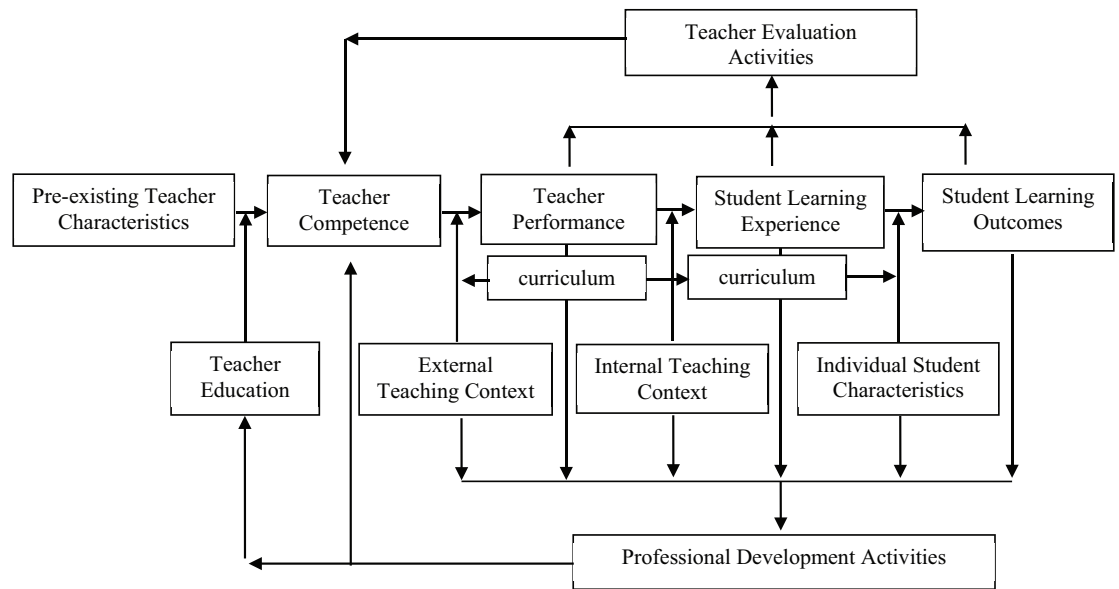


**Figure 1:** Westera's Model (2001) – *Competences as Sub-Skills in The Teacher's Context.*

lecturer performance, student learning experience, and educational outcomes [4]. Professional development training can be accomplished by attending professional trainings and short courses. Ahmad, et. al. (2009) found that there is a significant association between in-service training attended by teachers and teacher's teaching effectiveness, between teacher's teaching effectiveness and student achievement, and between in-service training and student achievement. Emphasizing student achievement as teaching effectiveness measurement, Passos (2009) explained that it is appropriately reckoned, moreover student learning achievement can be considered as an important constituent to assess lecturer performance. Hence, it is urged to enhance lecturers' professionalism by encouraging them to pursue higher level of education and to broaden the chance to attend professional seminars in education based on their interest and field.

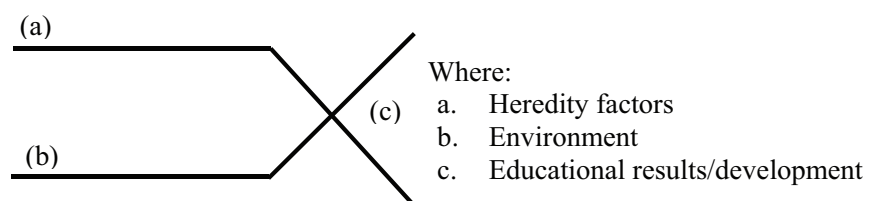
Professional development as mentioned above can be obtained with a support from the institution and with a self-consciousness as an educator. An institution support is indeed needed to enhance lecturer performance as stated in organization supporting theory by Rhoades and Eisenberger (2002) that employees are a manifestation of the organization which means that as long as an organization appreciates contributions of employees and care of their wealthy, they will respond that support by fulfilling and enhancing their commitment, loyalty, and performance. Self-consciousness is also required for a lecturer to accomplish their duties. Pidarta (1999) stated that self-consciousness, the core of motion dynamics rate of profession development, is a source needed for self-actuating.

Improving teaching practices by enhancing lecturer competences needs to be realized to improve the education system in developing countries and to provide a high



**Figure 2:** Cheng (1998) Structure of Teacher Effectiveness in Classroom (Adapted from Cheng, 1995 and Medley, 1982).

quality of education system. Additionally, Passos (2009) stated that enhancing lecturer quality does not decrease the importance of improving facilities, developing an appropriate curriculum, supporting learning costs, textbooks, or technology, or even to improve the management of schools. Nonetheless, the influence of those investments also requires lecturer skills to effectively utilize sources provided. Louis William Stern (1871–1939) compiled nativism theory and empiricism theory into convergence theory or as known as interactionism. Convergence theory states that a development does not only consider heredity factors or environment, but also the collaboration of internal and external factors, or else among nature and nurture factors. Based on this theory, it can be concluded that educational results are based on heredity and environment, as if there are two lines go to one meeting point as drawn in Figure 3. The results of learning process are being knowledgeable in cognitive, affective, and psychomotor aspects. Cognitive aspects consist of remembering, understanding, applying, analyzing, evaluating, and creating.



**Figure 3:** Convergence.

## 2. Method

It is necessary to dig inclusive information from respondents to know how are the integration process and the implementation of IFRS convergence in Intermediate Accounting curriculum and how it will influence student competence, thus this study uses theoretic sampling to obtain respondents that are Intermediate Accounting lecturers and students taking Intermediate Accounting course. The information is obtained by conducting in-depth interview towards 9 Intermediate Accounting lecturers and 17 students based on the saturation of data, observing learning processes in classroom (participant observation), and reviewing documents provided from 2012 to 2015 [17]. This study was conducted in public universities in Malang City, East Java, Indonesia, particularly in Accounting Departments that have a vision and missions in accordance with IFRS and carry out Intermediate Accounting curriculum integrated with IFRS, that are Universitas Negeri Malang and Universitas Brawijaya, Indonesia.

This study applies grounded theory approach with constant comparative analysis as the data analysis. Comparative analysis is a technique used to compare events continuously happening during the observations carried out (Bungin, 2014). Glaser and Strauss (1967) stated that there are 4 steps in constant comparative technique, as follows: (1) open coding includes coding/categorizing and giving notes on the interview transcript. The categories appeared from interviews are tabulated in Appendix 1, (2) axial coding by comparing the codes with event attributes, (3) selective coding which organizes the codes and starts to build premises, and (4) proposition development. Hence, grounded research design is constructed as shown in Figure 4 to develop researchers' knowledge and theories related to problems found in the field, so that the data obtained is the ground of theory.

In grounded theory, validation data, an active process in a research, is the author's responsibility. There are two main validations that need to be accomplished. Sampling discriminant is the first validation process after open coding by arising questions to relate categories in axial coding. In this case, an author needs to go back to field and find evidences. Following validation is after an author develops proposition by using literature review as a supplement validation. A validation is also to limit the subjectivity of authors, research instruments, and respondents, so that the credibility of the results can be responded. This study uses validation methods by Moleong (2006), as follows: (1) extension of involvement, (2) triangulation: triangulation of researchers, triangulation of data sources, and triangulation of methods, (3) inspection to team members, (4) audit trails, and (5) expert opinions.

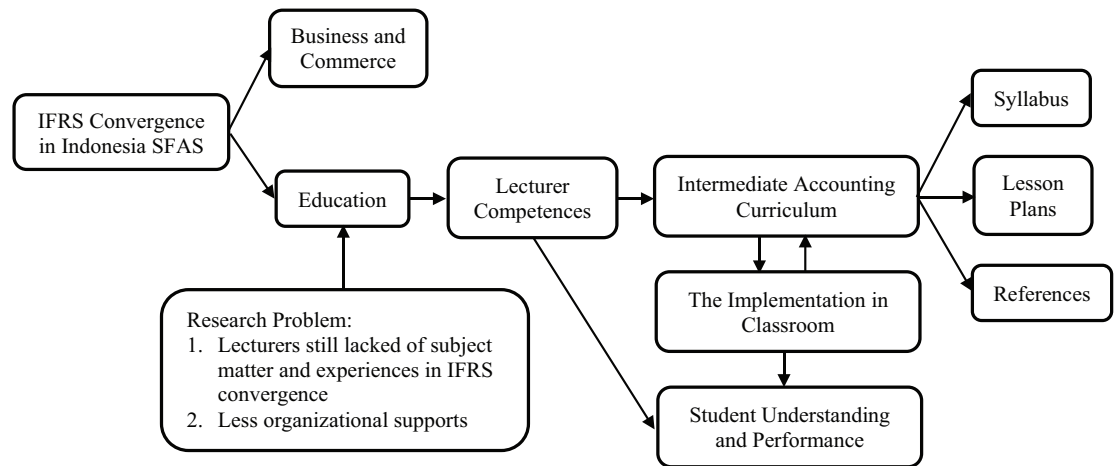


Figure 4: Research Design.

### 3. Discussion

IFRS convergence in SFAS has been full-convergence, thus, academicians need to be prepared for the following consequences. It is similar to the results of this study that IFRS convergence in Intermediate Accounting curriculum has been started since 2010 by fully converging and considering that education needs to be more prepared than business practitioners. This result is similar to James (2011) that initially IFRS was only integrated in Intermediate Accounting curriculum. Curriculum adjustment is urged to be accomplished in accordance with curriculum theory stated by English (1998) that curriculum will arise once educational institutions adopt society responses of particular condition in education and real life. In this case, a curriculum tends to be changed and adjustable as long with the development of society needs and technology and information.

Integrating IFRS in Intermediate Accounting curriculum is not easier that its convergence in Indonesia SFAS due to many unadjusted aspects. The result of this study shows that determinants of IFRS convergence in Intermediate Accounting curriculum that need to be discerned are lecturers, curriculum contents, and references. This result is consistent with Munter and Reckers (2009) that colleges and educational institutions still lacked of contents of new curriculum based on stakeholder needs, they did not support professional development training to enhance lecturers' competences, and they also lacked of new standards references and organizational supports.

Adjusting a curriculum, an institution needs to assure the magnitude of subject mastery of lecturers. Since this adjustment need to be done due to the changes of applied standards, thus lecturers need to possess an appropriate knowledge of the standards. Hence, Indonesia academicians ought to fathom IFRS through educational

socializations and seminars carried out by Indonesia Accountant Association featured with educational institutions or through self-learning by reviewing IFRS based references. This fathoming is necessary to enhance lecturer competences regarding subject matters, so that they can adjust the learning set based on stakeholder needs. In the other hand, enhancing lecturer competences can improve their performance in the classroom. This result supports Competences as Sub-skills in the Teacher's Context Model by Westera (2001), which emphasizes that lecturers' performance depends on their knowledge (subject matter and general pedagogy) directly related to competences, attributes, and attitude of lecturer. The motivation of lecturers in enhancing their competences can be driven from their responsibilities as a member of educational institution or from their consciousness as an educator. Institutional supports are indeed necessary to boost lecturers' knowledge and skills, so that they can improve their competences and performance as well. This result is consistent with organization supporting theory by Rhoades and Eisenberger (2002) that explores mutual contribution among an organization and employees.

Realizing that a teaching profession is a manifestation of lecturer existence as a responsible constituent in succeeding education purposes, thus lecturers are necessary to consider their roles as an educator that is also emphasized by Pidarta (1999) as a self-consciousness. In the other hand, the higher the self-consciousness, the stronger the motivation in improving self-professionalism; lecturers need to possess high responsibilities toward their profession by improving their performance in creating effective learning processes.

It is not only self-consciousness that will lead to success in integrating, an appropriate learning set will also support the process [10]. Based on the results, we found that textbooks are quite influential for learning process in classroom, moreover when it comes to the development and adjustment process of a new curriculum due to the change of standards. In this case, textbooks appear as one determination of the magnitude of students' understanding, moreover in the first stage of adjustment [22] This result is consistent with Frolich and Michaelowa (2005) who found that textbooks have a positive and significant externality on student attitude in classroom, even though it does not directly affect student achievement [8]. Hence, it can be concluded that by utilizing appropriate textbooks, indeed, will not significantly affect student achievement, however it will help to carry out effective learning processes by stimulating student understanding during learning processes both inside and outside classroom.

A teaching method also determines whether lecturers can carry out the learning process effectively. Dunkin and Biddle (1974) explain that learning process will be successfully carried out if lecturers possess subject matter competences and teaching method competences. Based on the results of this study, the most appropriate teaching method applied for instilling the concept of IFRS is by comparing the previous standard and the new one for current students (registered in 2012) and by directly delivering the subjects and standards for the prospective students (registered after full convergence). This method is considered effectively affecting lecturers and students during learning processes, since giving the better understanding of new concepts or standards should be prompted by explaining the comparison with the previous standards. This method can be carried out by directly explaining the concept of subject matter and by simulating the concepts/standards in financial statements. The second method is considered to be more comprehensive by directly implementing the new concepts in financial statements. By implementing appropriate teaching methods in classroom learning process, both teaching and learning process will be successfully carried out and students will achieve good understanding and scores as a result (Sagala, 2010).

IFRS convergence in Indonesia SFAS drives IFRS integration in Intermediate Accounting curriculum. This integration is indicated by the adjustment of learning references. Along with adjusting the curriculum, lecturers need to improve the knowledge of subject matter, considering that what they need to adjust is new standards never been implemented previously. Professionalism development includes the process of improving lecturers' competences and performances as an educator in classroom. In adjusted syllabus, it is clearly seen the learning purposes necessary to obtain, among them is to understand the comparison of financial statement based on IFRS and based on US GAAP that at that time had been currently implemented. The results of this study show that students possess knowledge in general cognitive of understanding dimension that indicates the capability of students in comparing the subject matter based on the new standard (IFRS) and the previous one. This result is consistent with Structure of Teacher Effectiveness in Classroom by Cheng (1998) which sheds in details the important factors of effectiveness of teaching-learning based on lecturers' attributes. In addition, Ahmad, et. al. (2009) show that in-service training has a positive and significant association with effectivity teaching-learning and students' achievement, and the similar association between effectivity teaching-learning and students' achievement, where students' achievement is an appropriate standard to assess both lecturers and students' performance.



TABLE 1

No.	Aspect	Indicator	Codes	Respondent	
				Lecturer	Student
1	Perception of Lecturer:				
	· IFRS Convergence in Intermediate Accounting Curriculum	1.) Formal 2.) Non-formal	(F) (NF)	√	-
	· Lecturer Competences	1.) Workshop/Seminar 2.) Private Class 3.) Self-Learning	(WS) (PrvC) (Self)	√	-
	· Adjustment	1.) Syllabus 2.) Lesson Plans 3.) References	(Syl) (LP) (Ref)	√	-
2	Implementation of Intermediate Accounting Based IFRS in Classroom	1.) Syllabus · IFRS based Syllabus · Non-IFRS based Syllabus 2.) Lesson Plans · IFRS based lesson plans · Non-IFRS based lesson plans 3.) References · IFRS based references · Non-IFRS based references	(Syl) (Syl-IFRS) (Syl-NIFRS) (LP) (LP-IFRS) (LP-NIFRS) (Ref) (Ref-IFRS) (Ref-NIFRS) (Compare) (Siml)		√ (triangulation)
	Teaching Methods	1.) Comparing IFRS and previous standards 2.) Simulating IFRS and previous standards in financial statement 3.) Focusing on IFRS 4.) Using Analogy	(Fcs) (Anlg)	√	
3	Student Understanding	1.) Interpreting 2.) Exemplifying 3.) Classifying 4.) Summarizing 5.) Inferring 6.) Comparing 7.) Explaining	(U-Int) (U-Exm) (U-Cls) (U-Sum) (U-Inf) (U-Comp) (U-Exp)	-	√
	Factors influence learning process in classroom	1.) Subject Matter Difficulties 2.) Appropriate References 3.) Lecturers' General Cognitive 4.) Teaching Methods	(SMDiff) (ARef) (LGC) (TM) (ESMF)	-	√
	Assessment Tools	1.) Exam Scores (Midterm and Final) 2.) Assignment Scores 3.) Activity Point	(AS) (AP)	√	-

## 4. Conclusion

The leading competence of lecturers that influences their performance is cognitive competence or particularly subject matters and general pedagogy. These competences can be enhanced by involving in professionalism development activities (e.g. professional trainings, professional courses, or self-learning). The higher the competences performed by lecturers, the better the results of curriculum developed which is particularly in integrating IFRS in Intermediate Accounting curriculum. In the other hand, the key success on this process is lecturer's subject matters competence and general pedagogy. The main purpose of enhancing lecturer's competences and performance is to develop and improve student's understanding regarding competences delivered through learning processes. In this case, student's knowledge and experience are the results of implementation of curriculum based IFRS. In accordance with this matter, success in planning and implementing a curriculum based on life needs through student's achievement have been considered as the determinants of lecturer's competences whether it can contribute to student's understanding regarding subject matters. Based on the results of this study, it can be concluded that the subject matters and general pedagogy possessed by lecturers influence the effectiveness of learning process and student understanding, particularly when it comes to integrating and implementing new concepts or standards.

## Appendix 1

### Research Categories

### References

- [1] Ahmad, W. M. R. W., Esa, A., Salleh, B. M., Kadir, Z. A., & Razali, H. (2009). Relationship between in-service training with students' achievements at TVET institutions in Malaysia. *Journal of Technical Education and Training*, 1 (10), pp. 95-113.
- [2] Bungin, M. B. (2010). *Qualitative research: Communication, economics, politics, and other social science*. Jakarta: Kencana.
- [3] Cheng, Y. C. (1995). *Function and effectiveness of education (3rd ed.)*. Hongkong: Wide Angle Press.

- [4] Cheng, Y. C. (1998). The pursuit of new knowledge base for teacher education and development in the new century. *Asia-Pacific Journal of Teacher Education and Development*, 1 (1), pp. 1-15.
- [5] English, L. D. (1998). Children's problem posing within formal and informal contexts. *Journal of Research in Mathematics Education*, 29 (1), pp. 83-106. <http://dx.doi.org/10.2307/749719>
- [6] Frolic, M. & Michaelowa, K. (2005). Peer effects and textbooks in primary education: Evidence from Francophone Sub-Saharan Africa. *IZA DP No. 1519*. <http://dx.doi.org/10.1016/j.labeco.2010.11.008>
- [7] Glaser, B. S., & Strauss, A. (1967). *The discovery of grounded theory*. New York. <http://dx.doi.org/10.14361/9783839413272-065>
- [8] Glewwe, P., Kremer, M., Moulin, S. (1998). Textbook and test score: Evidence from a prospective evaluation in Kenya. *Development Research Group*. World Bank, Washington, D.C.
- [9] Herrick, V. E. (1950). The concept of curriculum design. *Toward improved curriculum theory*, 37-50.
- [10] Heyneman, S. P., Jamison, D. T., & Montenegro, X. (1984). Textbooks in the Philippines: Evaluation of the Pedagogical Impact of a Nationwide Investment. *Educational Evaluation and Policy Analysis*, 6(2), 139-150. <http://dx.doi.org/10.2307/1163909>
- [11] James, M. L. (2011). Integrating IFRS into the accounting curriculum: strategies, benefits, and challenges. *Academy of Educational Leadership Journal*, 15, pp. 127. In Alon, A. (2012). The IFRS question. To adopt or not. *Advances in Accounting Education*, 13, 405-423. [https://doi.org/10.1108/s1085-4622\(2012\)0000013021](https://doi.org/10.1108/s1085-4622(2012)0000013021)
- [12] Medley, D. M. (1982). Teacher effectiveness. *Encyclopedia of educational research*, 4, 1894-1903. <http://dx.doi.org/10.1037/018625>
- [13] Munter, P. & Reckers, P. M. J. (2009). IFRS and collegiate accounting curricula in the United State: 2008 a survey of the current state of education conducted by KPMG and the Education Committee of the American Accounting Association. *Issues in Accounting Education*, 24, pp. 131-139. <http://dx.doi.org/10.2308/iace.2009.24.2.131>
- [14] Passos, A. F. J. (2009). *A comparative analysis of teacher competence and its effect in pupil performance in upper primary schools in Mozambique and Other SACMEQ countries*. (A Doctoral Thesis). University of Pretoria. Pretoria. [http://dx.doi.org/10.1163/\\_afco\\_asc\\_1469](http://dx.doi.org/10.1163/_afco_asc_1469)
- [15] Pidarta. (1999). *Thinking of Education Supervision*. Jakarta: PT Bina Aksara.

- [16] Rhoades, L. & Eisenberger, R. (2002). Perceived organizational support: A review of the literature. *Journal of Applied Psychology*, 87 (4), pp. 698-714. <http://dx.doi.org/10.1037//0021-9010.87.4.698>
- [17] Sanders, P. (1982). Phenomenology: A new way of viewing organizational research. *Academy Management Review*, 7. <http://dx.doi.org/10.5465/amr.1982.4285315>
- [18] Sukmadinata, N. S. (2009). *Curriculum development: Theory and practice*. Bandung: PT Remaja Rosdakarya.
- [19] Shulmann, L.S. 1986. Those who understand: Knowledge growth in teaching. *American Education Research Association*, 15 (2), pp. 4-14. <http://dx.doi.org/10.3102/0013189X015002004>
- [20] Tyler, R. W. (1950). Basic principles of curriculum development. Chicago: University of Chicago Press. *Performance Improvement Quarterly*, 3(1), 65-70.
- [21] Westera, W. (2001). Competences in education: A confusion of tongues. *Journal of Curriculum Studies*, Vol. 33 (1), pp. 75-88. <http://dx.doi.org/10.1080/00220270120625>
- [22] Wolff, L., Schiefelbein, E., & Valenzuela, J. (1994). Improving the quality of primary education in Latin America and the Caribbean: Toward the 21st century (Vol. 257). *World Bank Publications*. <http://dx.doi.org/10.1596/0-8213-2985-5>
- [23] Zais, R. S. (1976). *Curriculum: Principles and foundations*. Ty Crowell Company.