

Management Education for Global Leadership

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Chapter 8

Excellence Perspective for Management Education from a Global Accountants' Hub in Asia

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ABSTRACT

This chapter discusses how accounting education in Sri Lanka, an emerging South Asian country, has evolved over time to become a global hub of accountants through its accounting education system. The chapter presents a detailed description of the history of accounting education in Sri Lanka, the role of professional accounting bodies and academic accounting education, a comparison of professional and academic education systems and finally the current status and future directions of accounting education of the country. Having roots of accounting education well over twenty centuries, the professional and academic education systems of Sri Lanka have evolved independently creating an anomaly when compared with the global practice in which the graduate accounting profession is the norm. Sri Lanka will have to continually strengthen the accounting education system to sustain its stature in the ever dynamic and complex global business environment that poses many challenges for the accounting profession.

INTRODUCTION

Among the various disciplines in Management education, Accountancy plays a key role in all societies, particularly in relation to the resource allocation process and thereby influencing the economic growth and development of a country. With the advent of globalization, Accounting has become a global profession that requires Accounting professionals to adopt a broad global outlook to understand the context in which businesses and other organizations operate. Hence, Accounting education needs to cater to these requirements by adopting a strategic view of accounting's value proposition (i.e. how accounting professionals add value to an organisation) by developing a curriculum that delivers and enhances its

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value proposition (Pathways, 2012). In this backdrop, this chapter examines how Accounting education in an emerging South Asian country has evolved over time to become a global hub for accountants by producing accountants who can add value in local as well as in global contexts. Over the years, Sri Lanka, the country of focus in this chapter, has become an exporter of accountants to regions such as the USA, Middle East, Africa and Australasia while attracting global finance and accounting outsourcing companies. With more than 130,000 members and students of professional accounting bodies (World Bank, 2015), the country possesses the highest number of UK-qualified accountants outside the UK (SLASSCOM, 2014). This is one of the highest per capita accountant ratios in the world of a twenty-million population. Moreover, its state universities and non-state sector degree awarding institutions also offer Accounting degrees adding graduates with specialization in Accounting to the above number. The World Bank (2015) considers Sri Lanka's Business Process Outsourcing (BPO) a vibrant sector for finance and accounting outsourcing while Kearney (2012) recognizes Sri Lanka as a hidden gem for business process and knowledge services outsourcing. With this plentiful supply of accountants with internationally recognized qualifications, Sri Lanka was ranked as one of the top 19 global centres of excellence for finance and accounting outsourcing (SLASSCOM, 2014).

In this case, the term "excellence" needs special attention. The word "excellence" is derived from the Latin word "exceller" which refers to "to ascend" (Al-Dhaafri, et al., 2013). It has different meanings in different contexts. Generally, it is "the quality of being outstanding or extremely good" (Oxford Dictionary, 2016) or "to be very good," "to surpass," "to be better than others" (Jorgensen, 1980). Building on these definitions, the Cambridge Dictionary (2003) defines "centre of excellence" as "a place where a particular activity is done extremely well". Being in line with these definitions/interpretations in this chapter, the authors perceive Sri Lanka as a place where the Accounting profession is practised extremely well surpassing other countries in the region.

This chapter examines Sri Lanka's position of excellence in the Accounting profession under six sections. They are namely: the history of Accounting education (Section One), professional accounting bodies in Sri Lanka (Section Two), academic Accounting education in Sri Lanka (Section Three), comparison of professional and academic education systems and their implications (Section Four), the current status and future aspirations of Accounting education in Sri Lanka (Section Five) and finally, conclusions and future research directions (Section Six).

THE HISTORY OF ACCOUNTING EDUCATION IN SRI LANKA

In making Sri Lanka a centre of excellence for the Accounting profession, the country's history of (Accounting) education has played a key role in providing a foundation for later developments. This section thus places special attention on the history of Accounting education in Sri Lanka, which could be traced back to the time of its ancient kingdoms (from 543 BC to 1815) and subsequently to British rule of the country (1796 – 1948)ⁱ.

The education system of Sri Lanka in the ancient kingdoms can be further demarcated into two periods prior and after to the establishment of Buddhism as the state religion of Sri Lanka, which made a significant impact on the country's governance, allocation of economic sources, architecture and sculptures, and literature (De Silva, 2014).

Accounting Education before the Establishment of Buddhism as the State Religion

In the period prior to the establishment of Buddhism as the main religion, education had been provided in the first kingdom of Sri Lanka – Anuradhapura, by learned Brahmans (Vedic teachers) as per the 'Mahavamsa, the Great Chronicle of Sri Lankan History' (Geiger, 2007). There is evidence that these Brahmans were also knowledgeable in many fields including Medicine and Accountancy (Wimalawansa, 1988; Geiger, 2007). This is an indication that Accountancy education existed in Sri Lanka even before the introduction of Buddhism to the country. However, the evidence available as to the provision of education in general and accounting education in particular, is very limited during this period.

Accounting Education after the Establishment of Buddhism as the State Religion

Unlike the previous period, after the establishment of Buddhism in Sri Lanka in the 3rd Century BC (De Silva, 2014), there is some evidence of Accounting practice and accounting education in the country. The ancient hydraulic civilisation of Sri Lanka with its irrigation and maritime activities and the remains of monuments in the sacred cities - Anuradhapura and Polonnaruwa, bear testimony to the high standards of education maintained in general at the time of the ancient kingdoms of the country (Asian Development Bank- ADB, 1989). Further, the richness of Accounting practices in ancient kingdoms of Sri Lanka (Liyanarachchi, 2009; Liyanarachchi, 2015) stand as testimony to the prominence laid on Accounting education in the country. Liyanarachchi (2009) while providing evidence of the accounting and auditing practices that prevailed in ancient Sri Lanka (from 815 to 1017 AD), shows how Accounting was relied upon to maintain the reputation of the Buddhist monasteries and those of its members, and thereby to protect the goodwill amongst Buddhist monks, rulers and people. Liyanarachchi (2015), moreover, shows that Buddhist Temple Accounting (BTA) emerged to address the societal need for accountability during the time of the ancient kingdoms in Sri Lanka. Accounting practices which trace back to the post-Buddhist era in Sri Lanka is an indication that Accounting education too existed in this period. However, due to the limited availability of evidence, this section deals with known facts regarding Accounting education in Sri Lanka during this period.

With the establishment of Buddhism as the state religion of the country during the reign of King Devanampiyatissa in the 3rd Century BC, the education system of the country centred on Buddhist temples (Ruberu, 1964). A system of education revolving around the religious leaders of a country was common practice in the ancient world including the Central European countries (Rahula, 1966). The development of the education system around Buddhist temples also has a lineage to the tradition which existed in Sri Lanka, from the pre-Buddhist era, that religious leaders should get involved in providing education (Wimalawansa, 1988).

After the establishment of Buddhism as the state religion, basic education provided in the village schools and temple schools to children aged five to twelve years was known as 'Shikshanaya' (i.e. discipline). During this period of seven years, the students were taught Religion, Traditions, Language, Environment and Health (Wimalawansa, 1988). On the other hand, the Buddhist Pirivena (centres of higher learning for Buddhist monks and laymen) were involved in higher education (Ruberu, 1964), which was known as the learning of 'Shilpa Sharathra' (i.e. learning of Arts and Sciences), and Accountancy had been identified as one of the subject areas covered in higher education provided in the Buddhist Pirivenas

under these Arts and Sciences (Wimalawansa, 1988). The inclusion of Accountancy as a subject area in higher education could be linked with the existence of a person responsible for accounting in the Royal Palace, known as 'Ganaka,' as identified in Phrase 20 of Chapter 11 of the Mahavamsa (Geiger, 2007). The Pirivena education developed rapidly in ancient kingdoms due to the patronage of the kings which resulted from their devotion to the religion (Ruberu, 1964). It is evident that elaborate syllabi had been used in ancient Buddhist Pirivena such as the Mahavihara and Abayagiriya during the period of the Anuradhapura Kingdom of Sri Lanka (Adikari, 1991) and these great educational centres had also possessed repositories of books (i.e. libraries), (Ranaweera and Ranasinghe, 2013), of which the main users had been the Buddhist monks and high ranking officials of the Royal Palace. However, during the latter eras of ancient Sri Lanka, especially in the Kotte period, these libraries were also open for laymen (Ranaweera and Ranasinghe, 2013). Hence, it is clear that Accounting education in ancient Sri Lanka had been strongly influenced by Buddhist philosophy and the system and structure for the provision of education were well placed in the ancient kingdoms.

Accounting Education during the Colonial Periods

The indigenous system of education prevalent in Sri Lanka during the time of the ancient kingdoms from Anuradhapura to Kandy (the last kingdom of Sri Lanka) diminished with foreign occupation of the country by the Portuguese (1505 to 1656), Dutch (1656 to 1796) and British (1796 to 1948). Though the Portuguese and Dutch were able to occupy only the coastal areas of Sri Lanka, the British captured the entire nation in 1815 and ruled for 150 years making an enormous impact on the socio, political and economic spheres of the country. Hence, the present system of Accounting education in Sri Lanka has its roots linked to the British rule in the country.

Under British rule, Sri Lanka changed from an agriculture-based society to a plantation economy (Wickramasinghe and Cameron, 2014) with tea, rubber and coconut as dominant crops creating significant changes in the political economy of the country. According to Johnson (1973), the development of accounting was not a single, isolated occurrence, rather, it was a process connected with the economic and political expansion of the British Empire. Hence, from the beginning, an intimate connection was established between the British colonial government on the island and the British controlled export sector of economy (De Silva, 2014) leading to two types of British capital investment in Sri Lanka - productive capital and mercantile capital (De Silva, 1982), where the former denotes direct investment in plantations by British plantation companies and the latter denotes the administrative and operational framework of plantation companies for their colonies through an Agency House System. These changes created a demand for public practice in auditing and taxation by Sri Lankan business organisations. Moreover, legal enactments, such as, - the Income Tax Ordinance of 1932 and the Companies Ordinance of 1938 introduced during this period further intensified the demand for tax consultants, accountants and audit personnel. The Companies Ordinance of 1938 required the accounts of companies to be audited by persons registered by the Registrar of Companies under regulations made in terms of this ordinance (Amerasinghe, 2007). However, those who carried out accounting roles during this period functioned independently and did not belong to any coherent body. This led to the formation of the Accountancy Board of Ceylon in 1941, which functioned as the only authoritative body of accounting in Sri Lanka from 1941 to 1959. Subsequently, all Sri Lankans who carried out Accounting as a means of employment joined this board (Institute of Chartered Accountants of Sri Lanka - ICASL, 2010).

The plantation economy contributed to a breakthrough in trade where considerable profits were earned by indigenous traders, speculators and middlemen resulting in the accumulation of wealth in their families. These families sent their children to the UK for their education, which in turn led to the emergence of a local bourgeoisie during this period (Jayawardena, 2000). Some members of the learned bourgeoisie were instrumental in establishing Professional Accounting Bodies (PABs) in the post-independence era of Sri Lanka. The genesis and evolution of these bodies is discussed in the next section.

School Based Accounting Education during the British Colonial Period

The impact of the changes in the political economy of Sri Lanka was also witnessed in the school education system of the country. When the British took over the administration of the coastal areas in 1796, there were two systems of schools in Sri Lanka; one system was based on Buddhist temple schools confined to the Kandyan Kingdom (which was under the Sinhala kings) and the other was the system of parish schools in Dutch territories of the country (Sumathipala, 1968). While the former maintained the traditional Buddhist system of education, a Christian atmosphere prevailed in the latter. However, with the British gaining full control of the country in 1815, the Buddhist system of education diminished and Christian missionary schools in which the English education system was practised gained prominence (Ruberu, 1964; Sumathipala, 1968). However, this "Christian missionary oriented system" provided unequal access to education to a majority of Buddhists, Hindus and Muslims who were non-Christians. Hence, Sri Lanka's first commission on education which was established under British rule in 1867 made recommendations to overcome the negative implications of this system. Among them, some notable recommendations were:

1. To open vernacular schools in all parts of the country to provide an elementary education for the general masses.
2. To establish mixed or Anglo- vernacular schools in every town to serve as a setting stone to English medium secondary schools.
3. To establish Central Schools in provincial capitals to provide practical and commercial education in English education.
4. To continue to provide a superior education, for students coming from Central and Mixed Schools, at Colombo Academy (Sumathipala, 1968).

These recommendations while emphasising the need to provide the opportunity to all citizens to obtain an education, laid the foundation to provide commercial education which led to the development of Accounting education in Sri Lanka.

Subsequently, the recommendations of the Special Committee of Education in 1940, which was spearheaded by Mr. Kannangara - the first Education Minister in the State Council of Ceylon (Sri Lanka was known as Ceylon during this time) and also considered as the Father of Free Education in Sri Lanka, has a special importance to the evolution of Commerce and Accounting education in the country. This committee categorised the workers in the state into three categories as:

1. Professional,
2. Highly skilled,
3. Ordinary skilled and semi-skilled.

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Accordingly, the committee recommended three types of post-primary schools to which all children of primary schools should be assigned to after a suitable selective examination at the end of the fifth grade. These three types of post-primary schools were:

1. Secondary schools leading to the university and professional colleges.
2. Senior schools leading to the polytechnics and technical schools.
3. Practical schools leading to the agricultural and trade schools (Ruberu, 1994; Sumathipala, 1968).

Education at the Senior Schools placed emphasis on Commerce or technical subjects.

Further, in 1942, the Ceylon Technical College was reorganised and one of the proposals of reorganisation was to offer elementary and advanced courses in Commerce to enable students to acquire the expected qualifications for book-keepers and shorthand typists as well as acquire the qualifications required for recognised institutions of secretaries, accountants and auditors. It was also proposed to recognise advanced certificates in Commerce, Art and Industries as sufficient qualifications for the employment of teachers for these respective subjects. By the end of 1947, the Ceylon Technical College provided courses in Commerce, Accountancy and Book keeping along with Engineering and Technical areas (Sumathipala, 1968).

The above mentioned developments in Commerce and Accounting education show that the introduction of Commerce as a separate stream in school education had its origin dating back to the pre-independence era up to the mid-1800s in Sri Lanka. Though the success of these reforms carried out in education at school level and at technical colleges is debatable (ADB, 1989), they provided the foundation for the subsequent development of Accounting education in Sri Lanka at school level, at PABs and at state universities. Over the years, Accounting as a subject area in school education has gained prominence and has become a main subject in the Commerce stream at the G.C.E. Advanced Level (A/L). The relevance of school based Accountancy education will be elaborated further in subsequent sections.

PROFESSIONAL ACCOUNTING BODIES (PABs) IN SRI LANKA

In addition to the historical developments, which were described in the first section, the PABs too have contributed immensely for the development of Sri Lanka as a centre of excellence in Accounting. The accountants who qualify through the education and training processes of these PABs are capable of meeting the global skill needs of the Accounting profession. These accountants therefore find international mobility easier and it enables them to work in different regions of the world. This section thus presents the emergence, growth, education and certification process of the PABs operating in Sri Lanka. At present, there are five PABs which operate in Sri Lanka (refer Table 1).

In addition, the Institute of Chartered Accountants of England and Wales (ICAEW) runs a conversation program for members of the ICASL.

Emergence and Growth of PABs

After gaining independence in 1948, Sri Lanka felt the need to create its own professional accounting body to develop accounting professionals for the country as was the case with the legal and medical professions, which were already established in Sri Lanka (then known as Ceylon) by that time (Amer-

Table 1. PABs operating in Sri Lanka

Country of Origin	Name of the PAB	IFAC Membership Status
Local	Institute of Chartered Accountants of Sri Lanka (ICASL)	Full member
	Institute of Management Accountants (CMA)	Full member
	Association of Accounting Technicians (AATSL)	Associate member
British-based	Association of Chartered Certified Accountants (ACCA)	Full member
	Chartered Institute of Management Accountants (CIMA)	Full member

Data Source: World Bank, 2015.

asinghe, 2007). Hence, the first indigenous PAB - the ICASL, was established in 1959 under an Act of Parliament; The Institute of Chartered Accountants of Sri Lanka, No. 23 of 1959, took over the functions carried out by the Accountancy Board. The enactment under an Act of Parliament in 1959 gave the ICASL the authority to determine the standards for the registration of persons entitled to practise as accountants and auditors in Sri Lanka. Accordingly, the ICASL created “a monopoly” over its members’ public practice (Ukwatte *et al.* 2015). This status continues even at present as the ICASL is the only PAB in Sri Lanka that has the right to carry out statutory financial audits in specified business enterprises, for which the preparation of financial statements in terms of accounting standards is mandatory as per the Accounting and Auditing Standards Act, No. 15 of 1995,² of Sri Lanka.

As discussed in Section 1, the formation of the ICASL was spearheaded by a group of chartered accountants who received their accounting education at ICAEW, UK. Mr. Weerasinghe, a member of ICAEW and the first Sri Lankan Auditor General of post-independent Sri Lanka, served as the first President of the Council of the ICASL. The dominance of ICAEW qualified professional accountants in the formation of the ICASL gave a firm foundation to groom its members to perform the accounting tasks of business organizations. Hence, during the early years, training processes, lectures, tutorial courses and examinations were based on the system adopted by the ICAEW (Amerasinghe, 2007). Though the ICASL initially focused on the accounting work relating to public practice, subsequently, it also ventured into work outside public practice keeping in line with the changes made to the education model of the ICAEW in 1975 (ICASL, 2010).

However, it was only the Sri Lankan elite who were able to obtain the membership of the ICASL until the early 1970s, as a premium was charged from trainees when obtaining a trainee placement (a pre-requisite for the qualification) under an approved principal, which everyone could not afford. Subsequently, due to changes in the political economy in Sri Lanka, the ICASL ceased levying a fee from prospective accounting professionals during their training period and commenced conducting examinations in all three languages - Sinhala, Tamil and English. These changes prevented a particular social class of people only entering the profession and resulted in an increase in the number of students registering with the ICASL. Hence, the ICASL gradually allowed private tuition colleges to conduct lectures to coach the students (ICASL, 2010).

In the post-independence era, the political environment of the country changed mainly in line with nationalistic sentiments. The changes brought about by the government which came into power in 1956 were not particularly favoured by the pro-British segment of Sri Lankan society who emulated the British lifestyle. They treasured the British education and English language, and sought typical British qualifications, which could fit into their aspirations. This laid the foundation to the formation of the Ceylon

Association of the Institute of Cost and Works Accountants (ICAW) (ancestor to CIMA) in 1965, to promote a professional British accounting qualification – CIMA in Sri Lanka, by Mr. M. T. Furkhan, a Sri Lankan who belonged to this pro-British segment of Sri Lankan society along with Mr. Frank Hayhurst, a British national who was working in a multinational company (MNE) in Sri Lanka (Senaratne and Cooray, 2012a). The ICAW members carried out work outside public practice, particularly the cost and management accounting functions of Sri Lankan business organisations and MNEs. With the growth in student population and membership, the ICWA Ceylon Association was recognized as a formal branch in 1972 and was elevated to the state of a Division in 1988 as the CIMA Sri Lanka Division by the London Head Office. At present, Sri Lanka is the CIMA's largest market outside the UK.

The introduction of the open economic policy in Sri Lanka by the government which was elected in 1977 and the continuation of liberalised economic policies by all successive governments had a favourable impact on the PABs. The number of business entities operating within the country increased rapidly creating a need for an effective legal and institutional framework governing accounting and auditing³, which in turn contributed to strengthening the professional recognition of the ICASL members (ICASL, 2010). Further, the number of MNEs operating in Sri Lanka also increased creating a demand for the CIMA qualification due to its global recognition.

In 2000, an indigenous management accounting professional body of Sri Lanka, the Society of Certified Management Accountants, was established. It gained statutory recognition in 2009 after being incorporated under Act No. 23 of 2009, as the Institute of Certified Management Accountants (CMA) of Sri Lanka. Though CMA is a low cost option to those who aspire to specialise in management accounting, it does not necessarily act as a substitute to CIMA as the latter continued to attract students belonging to high income families of the country (Senaratne and Cooray, 2012a).

During this period, the ACCA, which was operating in a low scale in Sri Lanka from the mid 1970s, also commenced promoting its qualification by forming a branch in Sri Lanka in 2002. The ACCA focuses on Accounting specialization covering both public practice and work outside public practice. Initially, the ACCA attracted CIMA members by granting them exemptions to its examinations as a strategic move to enter the Sri Lankan market (Senaratne and Cooray, 2012a). However, the ACCA now has its own student and member population. The ACCA has more than 77 partnership agreements with different countries which enable the members to be mobile across the globe. Further, it is gaining significant presence in Sri Lanka by organising annual events such as the Sustainability Reporting Awards, which has become a prestigious event among Sri Lankan corporate entities.

The AATSL was established by the ICASL in 1987 on the model of the AAT (UK) to fulfil the need for technician-level accountants⁴ in Sri Lanka in both, the private and public sectors. This qualification is used by many as a stepping stone to obtain the qualifications of other PABs as exemptions could be obtained from the foundation levels of the ICASL, CMA, CIMA and ACCA on completion of the AATSL. In addition, students in the Commerce stream of the G.C.E (Advanced Level) follow the AATSL course simultaneously as it supports subjects in Accounting and Business.

It is clearly evident that the PABs operating in Sri Lanka have evolved over a period of time with close allegiance to the professional accounting education model practised in the UK as a legacy of the British colonial rule in the country. In the subsequent paragraphs, the education and certification process of the PABs is dealt with.

Education and Certification Process of PABs

A profession-centric model, where university education is not a prerequisite for student entry into a professional accounting body, is followed in Sri Lanka in the education and certification of Accounting professionals (Senaratne and Cooray, 2012a; Wijewardena and Yapa, 1998; Perera, 1975) as is the case in the UK (Gammie and Kirkham, 2008; Annisette and Kirkham, 2007; Byrne and Flood, 2003). Hence, those who aspire to be professional Accountants can commence their studies in these PABs usually on completion of either the General Certificate in Education (GCE) Advanced Level (A/L) or GCE Ordinary Level (O/L).

As gaining admission to Sri Lankan state universities in any field of study is highly competitive⁵, students who fail to gain admission to state universities commence professional Accounting studies as a substitute for a university degree. Furthermore, almost all undergraduates in Accounting degree programs of state universities simultaneously follow professional accounting studies (Senaratne and Cooray, 2012a; Watty *et al.*, 2012) and they register for the courses of the PABs even before they gain admission to the university (Watty *et al.*, 2012). Hence, the majority who register as students of the PABs in Sri Lanka are secondary school leavers.

In this context, the PABs play a significant role in human resource development in Sri Lanka. The enrolment rates of the PABs collectively exceed the number of students enrolled into the Management and Accounting streams of state universities. For example, in 2011, while state universities enrolled 5,742 students in Management and Accounting streams, the ICASL had enrolled 7015 students in the same year, exceeding the total number enrolled by all state universities (World Bank, 2015). The present state of the student population and membership of the PABs in Sri Lanka is given in Table 2. This large talent pool developed by the PABs operating in Sri Lanka has a positive impact on employment generation and the economic development of the country. Hence, Sri Lanka has already carved out a niche in financial and accounting outsourcing (FAO) owing to its strong talent base in Accounting (A.T. Kearney, 2012) as evident by the membership and student numbers of the PABs.

The Sri Lankan PABs develop the curriculum of their programs in line with the International Education Standards (IES) of the IFAC to be on par with mostly the British based global PABs operating in Sri Lanka. Whilst the British PABs follow the curriculum developed by their respective head offices in the UK, the local PABs develop their own curriculum. As the country follows a profession-centric model, the curriculum of the PABs operating in Sri Lanka covers both, general education and professional Accounting education; the two broad demarcations of education identified in the Framework for

Table 2. Number of students and members of PABs in Sri Lanka

Name of the PAB	No. of Students	No. of Members
ICASL	44,007	4,300
CMA	16,877	2,253
AATSL	40,118	4,069
CIMA	15,727	3,163
ACCA	790	264

Data Source: World Bank, 2015.

International Education Standards for Professional Accountants (International Accounting Education Standards Board –IAESB-, 2009) of IFAC, where the former is a broad-based education that develops the knowledge and skills necessary as a foundation to prepare an individual for entry into a professional Accounting education program, and the latter, builds on general education and imparts:

1. Technical competence.
2. Professional skills, and
3. Professional values, ethics, and attitudes.

However, in the delivery of courses in the curriculum, all PABs operating in Sri Lanka entirely depend on the external education providers, commonly known as tuition colleges. In the case of CIMA and ACCA, tuition colleges are accredited based on specified criteria. However, such a system is not in existence for the local PABs – ICASL, CMA and AATSL, which has negatively impacted on the quality of teaching as well as the students' performances at examinations (World Bank, 2015). Hence, with a view to implementing a system of accreditation, the ICASL, CMA and AATSL have recently commenced the registration of learning providers. Another limitation is that these tuition colleges are based mainly in the main cities of the country restricting the ability of students in rural areas to follow the courses offered by the PABs.

With regard to practical training, all PABs require a minimum of three years of practical training as required by the IESs of IFAC under registered practical training providers. The ICASL follows stringent practical training, where two years of training is required to sit for its final level examinations and another one year after completing the final level examination to obtain the membership. However, in the case of all other PABs, a student can complete practical training while studying for the course or on completion of the course. The practical training of the PABs in general is facilitated by the presence of three out of four large audit firms in Sri Lanka, namely, PricewaterhouseCoopers, Ernst and Young, KPMG and also a corresponding firm of Deloitte Touche Tohmatsu, which together audit 84% of the listed companies in Sri Lanka (World Bank, 2015). Further, the training required for these PABS are also provided by firms in the mercantile and finance sectors. In addition, Business Process Outsourcing (BPOs) firms have also emerged as a significant force in providing training for these students.

From this discussion, it is evident that Accounting professionals in Sri Lanka are offered courses by the PABs through their own educational and training processes without depending on the universities. In this context, an overview of university Accounting education is discussed in the next section.

ACADEMIC ACCOUNTING EDUCATION IN SRI LANKA

It is not only the PABs, but also the universities that provide academic Accounting education which play an equally important role in making Sri Lanka a hub of excellence for Accounting. The universities that offer Accounting degree programs also produce Accounting graduates who are equipped with requisite knowledge, skills and attitudes to join the Accounting profession of Sri Lanka. This section of the chapter provides an overview of the current status of academic Accounting education in the country. The section thus deals with the academic undergraduate degree programs offered by both, the state and non-state sector universities, and the Masters level Accounting degree programs.

Academic Undergraduate Degree Programs Offered by the State Sector Universities

Formal academic Accounting education in Sri Lanka can be traced back to the 1960s when the Sri Lankan universities started offering Accounting in their Economics and Management undergraduate degree courses. The first Management degree program in Sri Lanka was offered by the University of Sri Jayewardenepura in 1958 by commencing two undergraduate degree programs in Business Administration and Public Administration under the Department of Economics, Business and Public Administration. However, it was only three decades later that the first academic degree program in Accounting was introduced to the Sri Lankan university system in 1992 by establishing the Department of Accounting at the University of Sri Jayewardenepura. Subsequently, over a relatively short period of time, Accounting undergraduate degree programs became a popular field of study in Sri Lankan universities. This is evident as 11 out of 15 state universities offer Accounting degree programs at present (refer Table 3). All the state universities funded by the government of Sri Lanka provide undergraduate education free of charge.

These Accounting degree programs are placed at Level 6 (Bachelors Honours) as per the Sri Lankan Qualification Framework (SLQF) (Ministry of Higher Education, 2015) with 120 credits. As per the SLQF, the purpose and scope of this qualification is to;

Table 3. Accounting Degree Programs in Sri Lanka

University	Department	Degree Program
Colombo	Accounting	Bachelor of Business Administration [B.B.A.] (Accounting) Special
Eastern	Commerce	Bachelor of Commerce [B.Com.] Accounting and Finance (Special)
Jaffna	Accounting	Bachelor of Business Administration [B.B.A.] (Accounting Special)
Kelaniya	Accountancy	Bachelor of Business Management [B.B.M.] (Accountancy) Special
Rajarata	Accountancy and Finance	Bachelor of Science [B.Sc.] (Accountancy and Finance) (Special)
Ruhuna	Accounting and Finance	Bachelor of Business Administration [B.B.A.] Accounting and Finance (Special)
South Eastern	Accountancy and Finance*	Bachelor of Business Administration [B.B.A.] or Bachelor of Commerce [B.Com.] (Accounting Special)
Sri Jayewardenepura	Accounting	Bachelor of Science [B.Sc.] (Accounting) Special
Trincomalee Campus of the Eastern University	Department of Business & Management Studies	Bachelor of Science [B.Sc.] (Accounting and Financial Management)
Vavuniya campus of the University of Jaffna	Department of Accountancy and Finance	Bachelor of Business Management [B.B.M.] (Accounting and Finance) Special
Wayamba	Accountancy	Bachelor of Science [B. Sc.] Accountancy and Business Finance (Special)
Sabaragamuwa University	Department of Accountancy and Finance	The Department offers the undergraduate courses in two separate academic disciplines viz. Financial Management and Banking & Insurance. but not in Accounting.

Data Source: UGC, 2014 and websites of the universities.

* The students can specialize in Accounting in either of these degree programs.

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Provide a broad education in a discipline to equip graduates with knowledge, practice and methodology that enable them to obtain appropriate professional status/qualifications or prepare them for research/practice based postgraduate studies. (Ministry of Higher Education, 2015, p. 16).

This level of qualification further aims to develop the research capacity and skills in that discipline, in this case it is Accounting. Although the SLQF Level 6 necessitates a research component in the field of specialization which should not be less than a total of at least 6 credits, some of these Accounting degree programs are yet to take necessary action in this regard.

- **Admission:** Admission to these universities is done based on the rank order on the average Z-scores obtained by the students at the G.C.E (Advanced Level) Examination conducted by the Department of Examinations of Sri Lanka. The admission to the universities is handled by the University Grants Commission of Sri Lanka (UGC). At the G.C.E (Advanced Level) examination, the students should have followed Accounting and Economics and/or Business Studies or some specified subjects to enrol for these courses in the Commerce stream. The admission to Sri Lankan state universities in any field of study is highly competitive and this situation also applies to the Commerce stream. In general, the students who follow the above degree programs mentioned in Table 3 enrol for a common Management program after which they are selected for an Accounting specialization. In the common Management program, the students are usually exposed to foundational courses in Management such as Economics, Management, Marketing, Information Technology, Human Resource Management and English. In addition, they are also taught Accounting related subjects such as Financial Accounting, Cost and/or Management Accounting, Financial Management, etc. It is the relevant faculty of the university to which the students are admitted that will make a selection based on the criteria decided by them.
- **Course Contents and Delivery:** Once the students are enrolled for an Accounting specialization, they start learning specialization course units relevant to Financial Accounting and Reporting, Management Accounting, computer-applications in Accounting, Auditing, Taxation, research in Accounting, Accounting theory, Commercial law and Finance based course units such as Finance, Financial Management, Portfolio Management and Valuation.. Some universities offer novel and/or less common courses such as Corporate Sustainability Accounting, Forensic and Investigative Accounting, International Accounting and Public Sector Accounting. In addition, these universities offer Accounting Internship as a course unit/s. Initially offered by the Department of Accounting, University of Sri Jayewardenepura in 1992, the internship in Accounting or Industrial training has now become an integral part of Accounting degree programs in Sri Lanka. However, the duration of the practical training component and credits assigned to degree programs differ among the universities. For example, at the Department of Accounting, University of Sri Jayewardenepura, this program that focuses on technical skill development is offered with other skill development courses (broadly defined as Program on Skill Development of Intern Accountants) and is placed at years three and four of the degree program with twelve credits for the whole program including a considerable number for internship. However, at the Department of Accounting, University of Colombo, practical training is offered as Industrial Training in the fourth year with eight credits. Despite the variability in the modus operandi, the practical training component contributes significantly to the development of the technical and professional skills of the students while facilitating

the completion of the training needs of PABs. The accounting students typically find job opportunities (during internship and after graduation) mainly in audit firms and banks, insurance and financial institutions, business process outsourcing companies and other local and multinational private sector organizations, both locally and overseas. In addition, they also find training and employment opportunities in provincial and local government authorities, semi government and public sector corporations.

In order to deliver the Accounting degree programs, universities in Sri Lanka use a range of teaching and learning methods which include lecture sessions, tutorial sessions, field visits and computer laboratory sessions. In addition, other modes such as dramas, debates, reflective journals, etc are used although not as frequently as the above. Further, both end-semester examinations and continuous assessment techniques such as individual or group assignments, group presentations and role play exercises are used in the assessment. In general, these degree programs assign upto 40% of the marks for continuous assignments, and the rest is allocated for final examinations. The method of assessment is different when it comes to subjects such as research in Accounting and Internship and other courses which specifically focus on skill development. Further, these degree programs use a variety of extra-curricular activities such as talent shows, sports events and special projects as a learning mode especially in the area of skill development.

Further, the curricula, delivery modes and assessment mechanisms of these degree programs are being continuously improved to keep abreast of global developments in Accounting education such as Accounting benchmark documents, IEAs and AACSB accreditation standards. Moreover, most of the universities maintain healthy relationships with industries in strengthening internship programs, curriculum development and funding. The universities have also entered into MOUs with PABs in an attempt to foster relationships. The experience and exposure gained through practical training have enabled the Accounting graduates of state universities to secure employment both, locally and globally. However, the level of development of Accounting degree programs of state universities varies depending on the qualifications, experience and the exposure of the academic staff and the extent of physical resources available in the universities. The next section of this chapter presents academic undergraduate degree programs in the non-state sector, although limited in number they may be.

Academic Undergraduate Degree Programs Offered by Non-State Sector Higher Education Institutions

Currently in Sri Lanka, there are no non-state universities. However, there are non-state sector higher education institutions that offer Accounting degree programs. They include institutions of private and public sector organizations that are affiliated to foreign universities in offering Accounting degrees. In addition, there are a few institutions (both in the public and private sector) to which the degree awarding status has been granted by the UGC. This chapter however, does not intend to deal with the non-state sector higher education institutes in Sri Lanka due to the complexity of their programs and the absence of uniformity. Nevertheless, the chapter makes some reference to the degree program in Applied Accounting offered by the Institute of Chartered Accountants of Sri Lanka through its business school, which is the only academic degree program offered by a PAB in the country at present. This program offers a B.Sc. (Applied Accounting) Degree in two stages where students can either complete, a general

degree within a period of 3 years (that comes under SLQF Level 5) or a special (Honours) degree within a period of 4 years (that comes under SLQF Level 6). This degree program too bears a lot of resemblance to the degree programs offered by the state sector universities in Sri Lanka in terms of course contents, delivery and assessments and even practical training requirements.

Postgraduate Level Accounting Degree Programs

Although the undergraduate level Accounting degree programs are well developed and popular in Sri Lanka, the level of development at postgraduate stage is still in its infancy. No state sector university in Sri Lanka offers a Masters level degree purely in Accounting, although there are instances where the postgraduate students are given a chance to obtain a specialization in Accounting. For example, at the University of Sri Jayewardenepura, its Masters level program offers a choice to follow the degree in the field of Accounting after the common program in Management. Yet, the enrolments for this option are at a very low level. The Department of Accounting, University of Sri Jayewardenepura, is currently intending to offer a Master of Professional Accounting (MPAcc) degree program, though its exact modus operandi has not yet been finalized. In addition, there are a limited number of postgraduate diploma level programs in the country along with some possibilities to pursue PhD programs in Accounting. The low level of development of the postgraduate Accounting programs can be mainly attributed to the fact that Accounting students prefer to follow a general master's degree showing a trend similar to that of other countries (for example refer Russell et al., 2000). On the other hand, there is a need for graduates with non-Accounting backgrounds to enter into the field of Accounting, perhaps through a conversion program in Accounting. But as at present, this situation has not been tapped in Sri Lanka owing to various reasons, some of which have been explored in the last section of this chapter.

COMPARISON OF PROFESSIONAL AND ACADEMIC ACCOUNTING EDUCATION SYSTEMS IN SRI LANKA AND THEIR IMPLICATIONS

In this section, firstly, a comparison between two systems is presented and thereafter, the implications of the present system of Accounting education in Sri Lanka is discussed. In the case of academic education, the focus would be on the Accounting degrees offered by the state universities in Sri Lanka.

Comparison of Programs of the PABs and the Accounting Degrees of State Universities

The comparison between the programs of the PABs and the Accounting degrees of state universities, presented here, is based on admission, duration and curriculum.

Admission

Admission to the programs of the PABs in Sri Lanka is possible via, both, direct entry through G.C.E. (A/L) or G.C.E. (O/L) as well as lateral entry after completion of a university degree or the examinations of another PAB. In the case of lateral entry, exemptions are granted by a PAB to a candidate after considering the relevant prior learning, which allow him or her to join the program at a level higher

than the foundation or first level. However, the only entry possibility for the Accounting degrees of state universities is through the G.C.E. (A/L) in the Commerce stream. Since the entry into state universities is competitive in any field of study, only those with high z-scores will be able to gain admission to these programs.

Duration

In general, a minimum of two years is required for a student to complete the examinations of the PABs. The maximum duration taken by a student to complete these programs vary depending on their rate of completion of examinations and the associated internship requirements. On the other hand, the duration of Accounting degrees of state universities is four years as this is the volume of learning required for a degree program placed at SLQF 6 Bachelors Honours.

Curriculum

The curriculum of the PABs and state universities is discussed under content, pedagogy, assessment and practical training.

- **Content:** The programs of the PABs as well as the Accounting degrees of state universities provide both, general education⁶ and professional Accounting education⁷.
- **Pedagogy:** The main mode of delivery of courses in the PABs is the lectures conducted through the tuition colleges. In addition, internship is provided in approved training organisations. On the contrary, the state universities use a range of delivery modes, which include lectures, tutorials, field studies, case analyses, role plays, computer practicals, discussion groups, research projects and internship.
- **Assessment:** The assessment is confined to written (i.e. either paper based or computer based) examinations in the PABs. On the contrary, a range of assessment modes are used in state universities. These include final examinations and continuous assessment mechanisms such as written assignments (reports and term papers), presentations, case studies, reflective journals, viva-voce and research reports/dissertations.
- **Practical Training (Internship):** In line with the IEAs of IFAC, all PABs require their students to complete three years of internship in an approved training organisation. These training organisations include both, public and private firms in audit, mercantile and finance sectors as well as BPOs/KPOs. The PABs assess the fulfilment of internship in terms of training hours spent in different industry categories and experience categories. On the other hand, in state universities, internship is a credit based course unit in Accounting degrees and they are assessed using a range of methods, which include the training supervisor's evaluation, training summary evaluation, viva-voce examination and reflective journals.

Implications of the Present System of Accounting Education in Sri Lanka

The above comparison indicates that professional and academic Accounting education systems in Sri Lanka have been developed in parallel to each other without the PABs fostering links with universities in the education and certification process of Accounting professionals in Sri Lanka (Wijewardene and

Yapa, 1998; Yapa 2000). Thus, a graduate Accounting profession, where a university degree is a prerequisite for professional Accounting education, is absent in Sri Lanka. Perera (1975) argues that this is an anomaly in the Sri Lankan context when compared to global practice in which a university degree is obtained by the majority before obtaining professional Accounting education. Even in the UK, in practice, the majority of students register in PABs to possess an Accounting or a Business degree (Byrne and Flood, 2003; Gammie and Kirkham, 2008). The lack of mutual collaboration between the PABs and state universities in Sri Lanka, has created many negative implications on the Accounting education system (Senaratne and Cooray, 2012b), and these have been discussed in the subsequent paragraphs.

One of the main implications of the absence of a graduate Accounting profession is that universities as well as PABs offering Accounting degree programs are engaged in both, general education as well as professional Accounting education. Hence, both institutions cover core technical knowledge areas such as Accounting, Finance, Organizational and Business Knowledge, Information Technology Development and Business English as well as relevant skills by offering similar course modules in their syllabi. Further, both programs pay attention to improving professional values, ethics and attitudes for the purpose of enhancing their professional judgment in organisations at different levels. Hence, as almost all students reading for Accounting degrees in universities follow programs of PABs simultaneously, there is duplication of work for them.

In addition, due to the professional orientation of Accounting degree programs, the universities have not been able to disseminate academic education (the theoretical foundation and research base of subject areas) adequately, which could make a difference in professional life by developing the ability to conceptualize and diagnose issues and to develop solutions for them. On the other hand, as the PABs provide education via tuition colleges, the students who follow only the PABs will not be exposed to the environment and the opportunities available in a university to obtain a broad based general and professional Accounting education through a range of delivery and assessment mechanisms suitable for such education. Further, various extra-curricular activities carried out in universities supplement these co-curricular activities.

Practical training (internship) is another common component in both programs. However, none of the degree programs provide three years of practical training as in the case of PABs. Most Accounting degree programs offered by the state universities provide six months to one year practical training whilst the B.Sc. Accounting (Special) Degree program of the University of Sri Jayewardenepura provides two years of practical training. Most of these approved training organisations are common to both programs and the training provided is similar. Hence, there is duplication of work when it comes to the fulfilment of practical training requirements as well.

These commonalities in knowledge and skill areas have been recognised and granted exemptions on case by case basis for university Accounting degree programs by the PABs. For example, the exemptions granted for the B.Sc. Accounting (Special) Degree Program of the University of Sri Jayewardenepura by the PABs are presented in Table 4. It shows that global PABs such as ACCA and CIMA have granted a substantial amount of exemptions by recognizing the common areas between the Accountancy degree program and their own programs. Further, ACCA and CIMA have developed schemes with substantial fee waivers, which allow these students to sit for the non-exempted subjects while pursuing the degree. Yet, it is interesting to note that the ICASL has recognized only a few commonalities in their exemption scheme for university Accounting degrees.

In the present context, the ICASL is the most preferred qualification among Accounting students owing to its low cost compared to the programs of global PABs. For example, in Figure 1, the level of

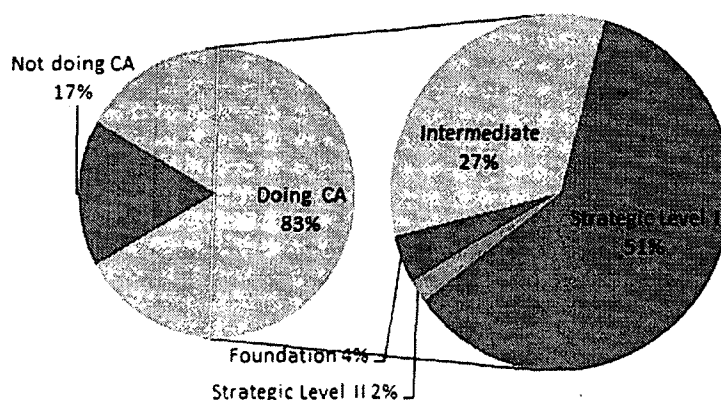
Table 4. Exemptions granted by PABs for the BSc Accounting Degree Program, USJ

PAB	Exemptions Granted
ACCA	All subjects <i>except</i> the subjects in the final stage
CIMA	All subjects <i>except</i> managerial level case study and strategic level three courses and the case study
ICAEW	Seven out of eight subjects exempted to university degrees worldwide
ICASL	All subjects at foundation level and two out of five subjects at intermediate level
ICMA	All subjects <i>except</i> four subjects at strategic level and the Integrative Case Study

Data Source: Department of Accounting, 2015a.

Figure 1. Level of completion of the ICASL Examination by final year students of the B.Sc. Accounting degree of the University of Sri Jayewardenepura

Data Source: Department of Accounting, 2015b.



completion of the ICASL examinations by students of the B.Sc. Accounting Degree of the University of Sri Jayewardenepura, while in the fourth year, is presented. It shows that 155 (i.e. 83%) out of the 186 students in this batch are registered for the ICASL program. Only 4% of the students are following the Foundation Level of the ICASL highlighting the fact that the exemptions granted are hardly useful in spite of the similarities in the curricula. Even though the data is presented only for the B.Sc. Accounting Degree of the University of Sri Jayewardenepura, the number of students of other Accounting degree programs simultaneously studying for the ICASL examinations is also generally high. The availability of better recognition for academic degrees in Accounting would have reduced the duplication of work for these undergraduates and allowed them to be rigorously involved in their academic work in the university. Further, the lack of recognition for university Accounting degrees by the ICASL deprives these students from entering the Accounting profession at a relatively young age.

On the other hand, the members and students of the ICASL, who are neither graduates nor undergraduates, have not been provided with an opportunity to read for a degree in Accounting or Management Studies in a state university through a reciprocal scheme of exemptions. This figure is approximately 42% of the total membership of the ICASL (ICASL Membership Directory, 2015). As a result, these students are unable to tap the vast amount of opportunities available for Accounting professionals around the globe that require the possession of an academic degree. In addition, the lack of recognition for non-

degree holders of the ICASL affects global recognition of the country's Accounting education, which will have broad socio-economic ramifications. As a solution to this, the ICASL has commenced its own Accounting degree as described in Section 3. However, its international recognition is yet to be explored.

In spite of these limitations, Accounting graduates obtaining the membership of the PABs have also increased. For example, 796 graduates of the B.Sc. Accounting from the University of Sri Jayewardenepura have obtained the membership of the ICASL from 1997⁸ to 2015 (ICASL Members Directory, 2015), which amounts to 12.5% of the membership of the ICASL that had accumulated over a period of 50 years and 32% of the membership of the ICASL from 1997 to 2015. This number represents approximately 40% of the Accounting graduates who have studied for the ICASL examinations. This indicates that university Accounting education has complemented the PABs education process through their own education process, which has laid a firm foundation to develop requisite competencies in Accounting graduates. Hence, though the PABs do not depend on universities in educating Accounting professionals, an indirect association is seen between the university Accounting degrees and the PABs in Sri Lanka. In this context, the current status and future goals of Sri Lankan Accounting education is discussed in the next section.

CURRENT STATUS AND FUTURE ASPIRATIONS OF ACCOUNTING EDUCATION IN SRI LANKA

This section highlights the current status of the Accounting education system in Sri Lanka and its future goals. Despite the vibrant situation explained previously in the chapter, the Accounting education system of the country is not without challenges. The next few paragraphs of this section are devoted to discussing these challenges and suggest a way forward for Accounting education in the country.

Among these challenges the lack of formal cooperation between important actors in the Accounting education system of Sri Lanka is important. Despite the various efforts taken to foster relationships, there still exists a lack of collaborative relationships among universities, PABs, policy setters and tuition providers (the important actors in the Accounting education system). The absence of a graduate Accounting profession, which was discussed in Section Four of this chapter, poses many challenges to the accountants of Sri Lanka. Compartmentalization of Accounting education too can be attributed to this situation owing to the lack of collaboration between the universities and PABs. Thus, it is high time to gradually move for a graduate Accounting profession in the country. In addition, competition among the PABs also poses challenges to derive synergies in professional development, research, training and education. Similarly, the absence of an accreditation system for tuition providers for the ICASL or CMA can affect the quality of the professional Accounting education system in the country and this situation becomes prominent when considering the massive number of students following these two courses (refer Table 2 for more details on the students of these courses). It is therefore necessary that the PABs work closely with each other to synergize from the strengths they possess. Collaborative association is equally applicable for the state universities as well in order to promote good practices and research among the academic fraternity. The establishment of the "Sri Lanka Accounting Association (SLAA)" similar to that of the American Accounting Association (AAA) which the Department of Accounting, University of Sri Jayewardenepura, is currently working on will be a progressive step in this direction. The regulatory mechanisms adopted by the government, such as, the enactment of the SLQF and the improvements

in quality assurance and the accreditation mechanism will have to be further strengthened to uplift the role of Accounting education in Sri Lanka.

Another main challenge in the Sri Lankan Accounting education system is the compartmentalization of education. As per the current structure in the state universities all Accounting undergraduates have to follow subjects in the field of Business Management only. This situation brings in a high level of specialization at the expense of awareness and knowledge in other unrelated disciplines such as Engineering or Physical Sciences, which are increasingly becoming important to function as an accountant. For instance, in the B.Sc. Accounting (Special) Degree of the Department of Accounting, University of Sri Jaywardenepura, students learn 24 subjects either in Accounting or Finance and the rest of the subjects are in Business Management. With a heavy dose of Accounting and its allied subjects, the current rigid structures promote accounting and financial silos in thinking and praxis in its disciplinary orientation to education. Hence, there is a need to allow more flexibility in subject selection in order to foster an interdisciplinarity or transdisciplinarity approach to Accounting education. The compartmentalization of Accounting education can even be seen in the school level education system as well. At school level, despite the competency based curriculum, assessment is mainly exam focused, leading to a mismatch. High exam orientation in school level education is partly a reflection of the limited opportunities available in the state university sector. At the same time, the PABs, universities and schools will have to deviate from their teacher centred teaching systems to student centred leaning systems.

Another challenge that the country's Accounting education system will have to address urgently is the lack of skill development in both, academic and professional education. Currently, the universities and PABs in Sri Lanka increasingly pay attention to both, technical and general skill development. Despite these efforts there are still concerns regarding the level of generic skill development among the Accounting students and graduates. The universities and PABs need to place a higher emphasis on skill development particularly the generic skills and development and/or inculcation of attitudes and values. Moreover, both PABs and universities should promote the use of technology among its students while encouraging them to pursue lifelong learning at a time when the dynamism in the external environment has been intensified.

With these requisite reforms and developments in the Accounting education system, Sri Lanka will be able to sustain its stature as a global centre of excellence for Accounting in Asia amidst the ever dynamic and complex business environment.

CONCLUSION AND FUTURE RESEARCH DIRECTIONS

The chapter explains why and how Sri Lanka has become a global centre of excellence for Accounting profession in Asia by focusing on its historical developments, role of PABs and universities and future directions. Reflecting the global status of the Accounting profession, the Sri Lankan Accounting professionals currently work in many countries across the globe while also being the main attraction for the IT, BPO and KPO firms to select Sri Lanka to set up their operations in the country. This current status Sri Lanka enjoys in the Accounting profession has roots dating back to the colonial periods of the country, especially the British period of occupation. Presently, the five PABs and many state sector and private sector universities produce accountants who can work in a global work place.

The ideas/views that have been presented in the chapter can be limited by certain reasons. Firstly, in reviewing the historical background of the accounting education of the country, the authors had to

rely on the known sources/historical evidences. Although every attempt was taken to access the extant literature, there can be some sources that have not been referred in the chapter. In future studies, researchers can explore this area in particular, i.e. the historical evolution of the accounting profession in Sri Lanka. Secondly, the chapter focuses only on the state universities and the degree program offered by the ICASL. Yet, there are some state sector higher education institutions, private sector institutions to which the degree awarding status has been granted by the UGC, and private sector institutions that are affiliated to foreign universities, which offer Accounting degrees. This chapter however, does not deal with those non-state sector higher education institutes in Sri Lanka due to the complexity. In the future studies, it would be interesting to see how these programs are conducted, the differences and similarities and their role of making Sri Lanka a centre of excellence for Accounting profession. Thirdly, though the chapter sheds some light on the absence of a graduate Accounting profession, an international comparison between countries of similar nature, particularly the former British colonies, is not presented. Since there are many Commonwealth countries (i.e. countries of the former British Empire) across the globe under different political, social, and regional conditions, it will be insightful to draw some international comparisons of the Accounting profession among these countries in future studies.

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ENDNOTES

- ¹ Britain captured only the coastal areas of the country in 1796. It gained full control of the country only in 1815.
- ² This Act specifies the standard setting and monitoring arrangements for specified business enterprises.
- ³ These include Companies Act No. 12 of 1982, Securities and Exchange Commission Act No. 36 of 1987, Accounting and Auditing Standards Act No. 15 of 1995 as well as Acts introduced to regularise the functioning of the banking and finance sectors of the economy.
- ⁴ The term 'Accounting Technician' is a recent term and it was first used by Professor David Solomans of the US in 1974 to identify middle level support accounting staff.
- ⁵ Compared to the number of students who sat for the G.C.E (A/L) Examination in 2012, only 10.5% of them were able to gain admission to follow university degrees due to limited placements in the national universities (UGC, 2013).
- ⁶ The broad-based education that develops the knowledge and skills necessary as a foundation to prepare an individual for entry into a professional Accounting education program.
- ⁷ The education and training that builds on general education and imparts (a) technical competence, (b) professional skills, and (c) professional values, ethics and attitudes.
- ⁸ The first batch of students completed the B.Sc. Accounting (Special) Degree in 1996 and the graduates of this program have commenced obtaining the membership from 1997.