



INTERNATIONAL VALUATION STANDARDS COUNCIL

IPS 105: Initial Professional Development – Assessment of Professional Competence

EXPOSURE DRAFT

Publication date: 31 March 2016

Comments on this Exposure Draft are invited before 30 June 2016. All replies may be put on public record unless confidentiality is requested by the respondent. Comments may be sent as email attachments to:

commentletters@ivsc.org

Or by post to: IVSC, 1 King Street, LONDON EC2V 8AU, UK

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Notes for Respondents

The intent of this Exposure Draft is to seek views from interested parties. The IVSC Professional Board seeks comment on the proposed *IPS 105: Initial Professional Development – Assessment of Professional Competence* and would like respondents to express a clear overall opinion of the Exposure Draft. Responses to the specific questions are also invited.

Questions for Respondents

In addition to any specific comments, responses are invited to the following questions. Not all questions need be answered. Please indicate the question to which any answer relates.

Specific questions

IPS 105: Initial Professional Development – Assessment of Professional Competence

1. Does IPS 105 provide sufficient detail on activities to assess the professional competence of the professional valuer candidate at the point of accreditation? Are there additional assessment activities that should be included?

Notes for respondents:

In order for us to analyse and give due weight to your comments, please observe the following:

1. Responses should be made in letter format, where appropriate on the organisation's letter heading.
2. Comments should not be submitted on an edited version of the Exposure Draft.
3. Unless anonymity is requested, all comments received may be displayed on the IVSC website.
4. Comment letters should be sent as an email attachment in either MS Word or an unlocked PDF format and no larger than 1mb. All documents will be converted to secured PDF files before being placed on the website.
5. The email should be sent to commentletters@ivsc.org.

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Standard

Scope of this Standard

- 1 1. The International Professional Standards (IPSs) are professional standards for Valuation
2 Professional Organisations (VPOs) to incorporate into the education and development of
3 their members. This IPS prescribes that assessment of the professional competence of
4 professional valuer candidates (Candidates) is required by the end of Initial Professional
5 Development (IPD).
- 6 2. This IPS is addressed to International Valuation Standards Council (IVSC) member
7 bodies that provide professional valuer accreditation for the education and development
8 of their members (VPOs that are members of the IVSC). In addition, this IPS may be
9 helpful to those who commission or rely on valuations, educational organisations, those
10 who design, deliver, assess or support education programmes for professional valuers,
11 employers of professional valuers, government authorities, regulators with responsibility for
12 the oversight of the work of professional valuers, and prospective valuers who undertake their
13 own learning and development.
- 14 3. Definitions and explanations of key terms are set out in paragraph 11.
- 15 4. The commentary, as set out in paragraphs A1 to A22, provides additional explanation
16 relevant to the requirements of this IPS. The commentary is intended to explain more
17 fully what a requirement means and may include examples of how to meet the
18 requirements. The commentary does not in and of itself impose any additional
19 requirements; its purpose is to assist in their application.
- 20 5. Assessment is the measurement of professional competence achieved through learning
21 and development. IPD is learning and development through which individuals first
22 develop competence leading to performing a role in the valuation profession. Learning
23 and development is, however, an ongoing process of developing and maintaining
24 professional competence throughout the career of a professional valuer, and so continues
25 through Continuing Professional Development (CPD). During IPD, the focus is on the
26 achievement of professional competence. During CPD, the focus is on the development
27 and maintenance of professional competence.

Effective Date

- 28 6. This IPS is effective from Date tbd, 2016, although earlier adoption is encouraged.

Objective

- 31 7. The objective of this IPS is to establish activities to assess whether Candidates have achieved
32 an appropriate level of professional competence by the end of IPD.

Requirements

Formal Assessment of Professional Competence

- 33 8. VPOs that are members of the IVSC shall formally assess whether Candidates have
34 achieved an appropriate level of professional competence by the end of IPD, drawing on
35 the outcomes of a range of assessment activities that are undertaken during IPD.

Principles of Assessment

- 37 9. VPOs that are members of the IVSC shall design assessment activities that have high
38 levels of reliability, validity, equity, transparency and sufficiency within professional
39 valuation accreditation programmes.

Verifiable Evidence

- 41 10. VPOs that are members of the IVSC shall base the assessment of the professional
42 competence of Candidates on verifiable evidence.

Definitions and Explanations of Key Terms

- 44 11. This IPS uses the following definitions and explanations of key terms:
- 45 • A professional valuer is a person who has expertise in the field of valuation, achieved
46 through formal education and practical experience and maintained through continuous
47 learning and development, is held to high professional standards equivalent to the IVSC's
48 IPSs and *Code of Ethical Principles* and whose compliance with such standards is
49 subject to enforcement by a VPO that is a member of the IVSC.
 - 50 • A professional valuer Candidate is an individual who has commenced a professional
51 valuer accreditation programme as part of IPD.
 - 52 • A practical experience supervisor is a professional valuer who is responsible for
53 directing, advising and assisting Candidates in acquiring sufficient practical experience.

Commentary

Scope of this Standard (paras 1-5)

- 54 A1. Professional competence can be described and categorised in many different ways. Within the IPSs,
55 professional competence is the capacity to do something well measured against a defined standard
56 with reference to working environments. Professional competence requires the capabilities of
57 professional skills and ethics, and the appropriate level of technical knowledge. Each area of
58 professional competence is further described by a set of learning outcomes in the relevant IPS.
- 59 A2. During IPD, assessment may be undertaken by a range of stakeholders, including the VPO
60 that is a member of the IVSC, employers, regulators, licensing bodies, universities, colleges
61 and private education providers. Although the assessment of professional competence during
62 IPD is the responsibility of the VPO that is a member of the IVSC, other stakeholders may
63 provide substantive input into the assessment.
- 64 A3. Professional valuers continue to engage in lifelong learning to develop and maintain
65 professional competence relevant to their role during CPD. Changes in the working
66 environment, career progression or new roles may require that professional valuers increase
67 their level of professional competence and acquire new competencies. This is covered in *IPS*
68 *201 Continuing Professional Development*.

Objective (para 7)

- 70 A4. Assessing whether Candidates achieve an appropriate level of professional competence
71 serves the following purposes:
- 72 • Public interest is protected and the credibility of the profession is enhanced when only those
73 who meet the profession's competence requirements are permitted to be professional valuers.
 - 74 • VPOs that are members of the IVSC and regulatory authorities have a responsibility to ensure
75 that professional valuers have the competence expected of them by the public, employers and
76 clients.
 - 77 • Professional valuers have a continuing duty to develop and maintain professional competence
78 to ensure that clients, employers and relevant stakeholders receive competent professional
79 service.

Requirements

Formal Assessment of Professional Competence (para 8)

- 82 A5. To formally assess whether professional competence has been achieved, VPOs that are
83 members of the IVSC may draw on the outcomes of one or more assessment activities that
84 take place during IPD. The configuration of the assessment activities during IPD may vary
85 and may include, but are not limited to, the following:
- 86 • a single multi-disciplinary examination conducted by the end of IPD,
 - 87 • a series of examinations that focus on specific areas of professional competence,
88 conducted throughout IPD, and
 - 89 • a series of examinations and workplace assessments conducted throughout IPD.

- 90 A6. Assessment activities are those activities designed to assess specific areas of professional
91 competence. During IPD, assessment activities can be selected to match the particular
92 aspect of professional competence being assessed. Examples of assessment activities may
93 include, but are not limited to, the following:
- 94 • written examinations,
 - 95 • oral examinations,
 - 96 • objective testing,
 - 97 • computer-assisted testing,
 - 98 • workplace assessment of competence by employers, and
 - 99 • review of a portfolio of evidence on completion of workplace activities.
- 100 A7. The types of assessment activities selected may depend on factors specific to each VPO that
101 is a member of the IVSC which may include, but are not limited to, the following:
- 102 • the remoteness and spread of geographical locations where Candidates are based,
 - 103 • available educational and other resources of the VPO that is a member of the IVSC,
 - 104 • the number and backgrounds of Candidates being assessed, and
 - 105 • the availability of learning and development opportunities provided by employers.
- 106 A8. Factors relevant to determining an appropriate level of professional competence to be
107 achieved by Candidates by the end of IPD may include, but are not limited to, the following:
- 108 • the complexity and variety of tasks undertaken by professional valuers,
 - 109 • the expectations of stakeholders, eg, the public, employers and regulators, relating to
110 the nature and extent of professional competence,
 - 111 • the level of professional judgement required to undertake an assignment or complete a
112 task,
 - 113 • the complexity of the working environment.

114 ***Principles of Assessment (para 9)***

- 115 A9. Professional valuer accreditation programmes are designed to support Candidates to develop
116 the appropriate professional competence by the end of IPD. Such programmes may include
117 formal education delivered through qualifications and courses offered by educational
118 institutions, VPOs that are members of the IVSC and employers, as well as workplace
119 training. The design of the professional valuer accreditation programmes during IPD may
120 therefore involve substantive input from stakeholders other than VPOs that are members of
121 the IVSC.
- 122 A10. The principles of assessment apply to individual assessment activities that are conducted
123 during IPD. However, it may not always be possible to achieve high levels of reliability,
124 validity, equity, transparency and sufficiency for each individual assessment activity.

125 A11. An assessment activity has a high level of reliability if it consistently produces the same result,
126 given the same set of circumstances. Reliability is not an absolute measure and different
127 assessment activities may have different levels of reliability. An assessment activity has high
128 reliability if the majority of assessors, acting independently, consistently come to the same
129 judgement, given the same set of circumstances.

130 A12. There are many ways that assessment activities can be designed to increase reliability. For
131 example:

- 132 • the reliability of a written examination may be increased by avoiding the use of
133 ambiguous wording in examination questions or instructions,
- 134 • the reliability of an objective test may be increased by undertaking an internal or
135 external review of the content of the testing before it is finalised, and
- 136 • the reliability of a workplace assessment may be increased by selecting assessors who
137 have comparable high levels of ability and by providing them with suitable training to
138 enable them to assess the task.

139 A13. Validity is the extent to which a measurement is well founded. An assessment activity has a
140 high level of validity if it measures what it was intended to measure. Validity is not an absolute
141 measure and different assessment activities may have different levels of validity. Validity has
142 multiple forms and includes the following:

- 143 • Face validity is the extent to which a procedure is subjectively viewed as covering the
144 concept it purports to measure. An assessment activity has high face validity if the
145 assessment activity is perceived to measure what it is intended to measure.
- 146 • Predictive validity is the extent to which a procedure predicts future performance. An
147 assessment activity has high predictive validity if the content of the assessment activity
148 relates to the particular aspect of professional competence that it is intended to assess.
- 149 • Content validity is the extent to which the elements of a procedure are a representative
150 sample of the concepts to be measured. An assessment activity has high content
151 validity if the assessment activity provides adequate coverage of the particular aspect
152 of professional competence being assessed.

153 A14. There are many ways to design assessment activities to increase validity. For
154 example:

- 155 • Face validity may be increased when assessing competence to apply a particular
156 valuation standard if an examination includes a comprehensive and relevant case study
157 rather than a simple case study based on incomplete information.
- 158 • Predictive validity may be increased for assessing competence in leadership by relying
159 on a workplace assessment of how well a Candidate leads a team rather than relying
160 on the outcomes of a written examination.
- 161 • Content validity may be increased if an examination covers more, rather than a few,
162 aspects of the particular area of professional competence being assessed.

- 163 A15. An assessment activity has a high level of equity if it is fair and without bias. Equity is not an
 164 absolute measure and different assessment activities may differ in their level of equity. Equity
 165 can be improved when those who design assessment activities are aware of the possibility of
 166 bias.
- 167 A16. There are many ways to design assessment activities to increase equity. For example:
- 168 • Equity may be increased by ensuring that assessment activities rely only on computer-
 169 based technologies that are available to all Candidates.
 - 170 • Equity may be increased by reviewing examination papers to remove assumptions
 171 relating to cultural knowledge that are not commonly shared by all Candidates.
- 172 A17. An assessment activity has a high level of transparency when details of an assessment
 173 activity, such as the competence areas to be assessed and timing of the activity, are
 174 disclosed publicly. A high level of transparency is also relevant when considering the
 175 entirety of the assessment activities that are undertaken during IPD. Transparency is
 176 not an absolute measure and different assessment activities may differ in their levels
 177 of transparency. Clear and accessible communications to stakeholders may lead to
 178 achieving a high level of transparency.
- 179 A18. There are many ways to increase the transparency of assessment activities. For example:
- 180 • In relation to the entirety of assessment activities that are undertaken during IPD,
 181 transparency may be increased by making publicly available a statement that explains
 182 the areas of professional competence to be assessed, the types of assessment
 183 activities included and the timing of those assessment activities during IPD.
 - 184 • Transparency may be increased in a workplace assessment when employers
 185 communicate to Candidates a clearly defined competency framework against which the
 186 Candidates' competence will be assessed.
 - 187 • Transparency in the setting and conduct of an examination may be increased by
 188 making information relating to the development, scoring and management of the
 189 examination publicly available.
- 190 A19. An assessment activity has a high level of sufficiency if it has a balance of depth and breadth,
 191 knowledge and application, and it combines material from different areas applied to a range of
 192 situations and contexts. A high level of sufficiency is also relevant when considering the
 193 entirety of the assessment activities that are undertaken during IPD. Sufficiency is not an
 194 absolute measure and different assessment activities may differ in their levels of sufficiency.
- 195 A20. There are many ways to design assessment activities to increase sufficiency. For example:
- 196 • Sufficiency may be increased across IPD by including assessment activities that assess
 197 the required professional skills and ethics, and the technical knowledge.
 - 198 • Sufficiency in relation to a workplace assessment may be increased by requiring
 199 Candidates to demonstrate professional competence across a wide range of
 200 professional skills and ethics that are applied to many different situations.

Verifiable Evidence (para 10)

- 201 A21. Verifiable evidence is evidence that is objective, capable of being proven and stored in written
202 or electronic form. Basing the assessment of professional competence on verifiable evidence
203 may satisfy the needs of third parties who oversee or regulate a VPO that is a member of the
204 IVSC. It will also increase the confidence of stakeholders that Candidates have achieved the
205 appropriate level of professional competence by the end of IPD.
- 206 A22. Examples of verifiable evidence include the following:
- 207 • certificates of successful course completion,
 - 208 • recorded outcomes of successful achievement in examinations, and
 - 209 • a record of achievement provided by practical experience supervisors on competence
210 achieved by Candidates.