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The emergence of mandatory continuing professional education at the Institute of Certified Public Accountants in Ireland

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Abstract

This article explores the emergence of mandatory continuing professional education (CPE) at The Institute of Certified Public Accountants in Ireland (hereafter CPA Ireland). While a relatively recent phenomenon within the accounting profession, mandatory CPE is an essential component of ongoing education for accounting professionals. Mandatory CPE was not required of accountants until 1 January 2006, following 2004 International Federation of Accountants (IFAC) guidance. However, bye-laws of accounting bodies in the United Kingdom and Ireland referred to CPE since the 1970s as a recommendation, not a mandatory requirement. CPA Ireland instigated such a mandatory CPE system effective 1 January 1993, many years before the 2004 IFAC guidance and nearly a decade before most other professional accounting bodies in the United Kingdom and Ireland. This article explores the historical emergence of this mandatory CPE system through a neo-institutional approach. The evidence suggests that some institutional contradictions arose, mainly around misaligned interests (growth vs survival) and legitimacy (as a professional accounting body). From these contradictions, institutional change from within emerged – and a key component of this change was mandatory CPE.

Keywords

accounting education, continuing professional education, professional body, institutionalism

Introduction

The role of education in the development of the accounting profession is unquestionable, but surprisingly little research is published from a historical perspective. Accounting has been in existence for centuries, but it was not until the industrial revolution that regular employment of accountants as professionals became more commonplace (Carr-Saunders and Wilson, 1933). Accountants have been perceived historically to be part of a solid conservative service profession with an impeccable reputation for ethical integrity, honesty, respectability, professionalism and a

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strong focus on the public interest or public concern (Carnegie and Napier, 2010). However, the first half of the twentieth century saw the professional accountant moving from an

> independent gentleman who did not promote himself and whose integrity and expertise did not require rigid rules of conduct, to a new generation that embraced a more modern ideal of the professional, one who followed strict rules of conduct and educational requirements, and who embraced a broader vision of public accountancy's responsibilities. (Doron, 2009: iv)

Further changes to the profession emerged from the mid-1960s onwards, with a movement towards a 'business profession' where accounting practices started to offer more profitable services (Boyd, 2004; Carnegie and Napier, 2010; Wyatt, 2004). These changes brought about new challenges and illustrated the difficulty of being a professional with an explicit covenant to serve the public interest in situations where there are considerable economic incentives to adhere to economic self-interest (Canning and O'Dwyer, 2001; Parker, 1994; Willmott and Sikka, 1997). Indeed, Willmott and Sikka (1997) suggest that the accounting profession places 'emphasis on […] promoting business virtues' and is 'uninhibited by the need even to pay lip service to a public interest ethos' (p. 833). Professional accounting education must, therefore, develop knowledge and skills useful in a competitive marketplace but which also help professionals to act appropriately and maintain public trust in relation to the reputation and standing of the profession (Carr-Saunders and Wilson, 1933).

Today, growing numbers of accountants are employed by corporations rather than as independent practitioners (CAI, 2015; Daley, 2002; Middlehurst and Kennie, 1997). This, coupled with increasing specialisation of roles, has led to diverse career pathways. The introduction of mandatory guidance (IFAC, 2004) effectively places responsibility on individual accounting practitioners to maintain and continue to develop professional competence through professional education and development (Coffield, 1999; De Lange et al., 2012). This ongoing renewal of professional competence is referred to, in the contemporary literature, as continuing professional education (CPE) and/or continuing professional development (CPD) (Friedman and Phillips, 2004) – see later for further elaboration regarding the development of professional education. From the perspective of accounting education history, while CPE/CPD may have existed informally since the inception of the profession, formal requirements are more recent phenomena (Paisey and Paisey, 2007, 2014).

There is little extant literature on mandatory CPE/CPD in terms of its historical development. This article contributes to this element of accounting education history by detailing the emergence of a mandatory CPE/CPD requirement at the Institute of Certified Public Accountants in Ireland (also referred to as CPA Ireland), an all-island professional accounting body with members in Northern Ireland and the Republic of Ireland. This professional body was the first within the United Kingdom and Ireland to adopt such requirements – nearly a decade before most other similar bodies. Thus, it departed from the institutional arrangements of the time, and we explore institutional factors which resulted in this decision. Through an analysis of CPA Ireland documentation, we seek out the institutional arrangements at macro (economy and society) and micro (organisational) levels in an effort to understand the pioneering changes within CPA Ireland. The remainder of this article is structured as follows. The second section provides a brief overview of the development of the accounting profession in the United Kingdom and Ireland, professional accounting education history and the history of CPA Ireland. It also outlines our theoretical framing, namely, institutional theory, and the methods used. The third section details the emergence of a mandatory CPE scheme at CPA Ireland. The final section discusses the emergence through an institutional lens.

Brief history and literature review

This section provides some detail of relevant extant literature from three avenues. First, some key extant literature charting the development of the accounting profession in the United Kingdom and Ireland is outlined. This is followed by an exploration of literature on professional accounting education from a historical perspective. Finally, a brief history of CPA Ireland is given. Together, these three avenues provide context for this article.

Development of the accounting profession in Ireland and the United Kingdom

Until the mid-nineteenth century, accountants in Ireland and the United Kingdom largely operated as bookkeepers and, in many cases, were not referred to as 'accountants'.[1] The accounting profession, as we know it, emerged in the United Kingdom during the Victorian era (Farmar, 2013; Robinson, 1964, 1983; Rowe, 1988).[2] Growth in large-scale manufacturing and business operations, combined with the introduction of limited liability in the 1844 UK Joint Stock Companies Act, led to a demand for greater accounting proficiency and more complex accounting techniques (Clarke, 2006; Zeff, 1971). In an effort to improve status and legitimacy, accountants in UK cities formed associations. In 1854, the Institute of Accountants in Edinburgh was renamed the Society of Accountants in Edinburgh and became the first professional accounting body established by Royal Charter (ICAS, 2012).[3] In May 1880, five English associations united to form the Institute of Chartered Accountants in England and Wales (ICAEW).[4] Shortly after, the Society of Incorporated Accountants and Auditors (SIAA) formed in 1885 to provide professional status to those accounting practitioners who failed to meet the stringent requirements of ICAEW.[5] Similarly, the London Association of Accountants was established in 1904 to allow more open access to the profession than what was available through the ICAEW. Following substantial organic growth and through a series of mergers, this association was renamed in 1971 the Association of Chartered Certified Accountants (ACCA) and was granted royal charter in 1974. Today, it is perceived as a global professional accounting body. A further association, the Institute of Cost and Works Accountants (ICWA), was founded in 1919 specialising in the development of accounting techniques for use in the internal control of manufacturing, service and public sector operations. In 1986, the body changed its name to the Chartered Institute of Management Accountants (CIMA) on granting of a Royal Charter. It is now a globally recognised accounting qualification, based in the United Kingdom and recognised predominantly in Commonwealth countries and Ireland.[6] The major professional bodies in the United Kingdom – ICAEW, ACCA and CIMA – have continued to prosper.[7] In 1974, the professional accounting bodies with royal charters, operating in the United Kingdom, came together to establish the UK Consultative Committee of Accountancy Bodies (CCAB-UK). This forum enables discussion of issues of common concern and provides a representative and common voice for the accountancy profession in the United Kingdom.

The Institute of Chartered Accountants in Ireland (ICAI), which dates to a Royal Charter in 1888, was the first Irish (all-island) professional accounting body. Annisette and O'Regan (2007) describe the 'strategies adopted by the institute to negotiate the destructive and divisive forces of the wider socio-political environment' (p. 4). O'Regan (2008) recounts its efforts to control membership by admittance through strict examinations and apprenticeship articles to ensure the 'perpetuation of the socio-political ethos of the founders' (p. 55). An Irish branch of the SIAA was established in 1901 in response to an exclusionary strategy adopted by ICAI (O'Regan, 2013). This SIAA presence 'offered the prospect of membership of an international organization coupled with the benefits of a local intermediary' (O'Regan, 2013: 268). However, ICAI was the larger Irish body, with 97 members by 1917 (ICAI, 1917). This had grown to over 3,000 members in 1975

Table 1. Membership of the accounting profession in Republic of Ireland at 31 December 2015 (IAASA, 2015).

Professional accounting body	Year formed	No. of members (2015)	% Members (2015)
ICAI	1888	16,119	46
ACCA	1904	9,811	28
CIMA	1919	4,268	12
CPA Ireland	1926	3,684	11
ICAEW	1880	438	1
ICAS	1854	71	0
Other		386	1
		34,777	100

ICAI: Institute of Chartered Accountants in Ireland; ACCA: Association of Chartered Certified Accountants; CIMA: Chartered Institute of Management Accountants; CPA Ireland: The Institute of Certified Public Accountants in Ireland; ICAS: Institute of Chartered Accountants of Scotland.
Some individuals may have membership of more than one body.

(Farmar, 2013). Two further bodies were established after the formation of the Irish Free State in 1922: The Irish Association of Accountants (IAA) in 1926 and the Society of Public Accountants Ltd (SPA) in 1943. These bodies ultimately amalgamated to form CPA Ireland – for greater detail on the development of CPA Ireland, see later. The development of CPE within that institute is the focus of this article. Membership of the accounting profession in Ireland has substantially increased within all professional accounting bodies –for a summary of the current membership of the accounting profession in the Republic of Ireland see Table 1. In 1988, an Irish equivalent of the CCAB was established to coordinate the representation of participant professional bodies in areas of common interest to the profession. The initial membership of CCAB-I consisted of ICAI, ACCA and CIMA. CPA Ireland formally accepted an invitation to become a member in May 1991.

A number of studies describe the accounting profession in Ireland as part of the British Empire (pre-1922) and/or Ireland in an international context – see, for example, Carnegie and Napier (2002), Parker (2005, 2014), Walker (1995) and Zeff (1971). Clarke (2006) highlights that 'because of its geographical location and shared language, accounting practice in Ireland was heavily influenced by its dominant neighbour, the UK' (p. 18). In the 1800s and for much of the 1900s, accounting practice and the regulation thereof in Ireland mirrored that introduced by the UK Companies Acts. In total, 26 counties in Ireland gained independence in 1922 to become the Irish Free State (later becoming the Republic of Ireland in 1937) and in its early years, the government was faced with significant political and social concerns (Clarke, 2001). At this time, the 'accounting profession was small and lacked influence and the Irish Stock Exchange was underdeveloped' (Clarke, 2006: 18), and there was little focus on accounting matters (Hiebl et al., 2015; Jeacle and Walsh, 2008; Quinn, 2014; Quinn and Jackson, 2014). However, Clarke (2004, 2006) notes advances in the development of management accounting in the aftermath of the Second World War as the economy started to grow. For many years, companies themselves took the lead in accounting matters and provided what they considered the most useful metrics to investors and other decision-makers. By the 1960s, changes in business ownership and size, improving economic conditions, incentives to attract foreign direct investment and the advent of the Republic of Ireland's membership into the then European Economic Community (EEC), renewed focus on the accounting profession in Ireland and its practices (Clarke, 2001, 2006; Farmar, 2013). The enactment of the first major piece of corporate legislation in the Companies Act of 1963 marked the beginning of a new era for accounting in the Republic of Ireland. Shortly after, the establishment of the UK Accounting Standards Steering Committee (ASSC) in the early 1970s led to the introduction of the first formal accounting standards – Statements of Standard Accounting Practice (SSAPs) – in the United Kingdom and the Republic of Ireland.[8]

Membership to all professional accounting bodies continued to grow throughout the 1970s, and there was an acknowledgement of the need for global representation of the profession. In October 1977, 63 professional accounting bodies, representing 51 countries, came together to establish the worldwide accounting body International Federation of Accountants (IFAC) at the 11th World Congress of Accountants in Munich. The President of CPA Ireland, Mr R.J. Neary, was one of the founding members to sign its constitution.[9] IFAC was established to strengthen the worldwide accountancy profession with reference to the public interest by developing, promoting and implementing high-quality international standards for professional accountants in education, ethics, auditing and assurance and public sector accounting; facilitating collaboration and cooperation among member bodies and with other international organisations; and serving as the international voice of the accountancy profession (IFAC, 2015). IFAC's (2015) membership has grown to include over 175 members and associates in more than 130 countries and jurisdictions worldwide, representing more than 2.8 million accountants.

History of professional accounting education

There is a dearth of accounting history literature with reference to professional accounting education in the Irish context. Thus, in our brief review here, we draw mainly on references whose subject matter is the emergence of the accounting profession and the development of professional education.

The focus of early professional education in accounting had been to ensure that only those with an acceptable level of knowledge and competence were admitted to the profession (Carr-Saunders and Wilson, 1933; Hoskin and Macve, 1986). Traditionally, knowledge was passed from one generation of accountants to the next in accordance with a master–apprentice-type relationship, in which the apprentice (trainee) would not perform below the standards set by superiors (Carr-Saunders and Wilson, 1933; Perks, 1993). However, advances of the competence movement led to a more formalised professional education system (Ashworth and Saxton, 1990; Burke, 1989). The origin of this movement can be traced back to the early twentieth century when a concern for a 'more rational, cost-effective and practically useful curriculum' began to emerge in response to increasing numbers and backgrounds of prospective students and to increased societal demands for higher levels of professionalism (Ashworth and Saxton, 1990: 3). From the mid-1960s, a demand for greater accountability in education, increased emphasis on the economy and more community involvement in decision-making led to a mainstream development of competence-based education (Burke, 1989). Advances in professional accounting education have been strongly influenced by this evolution and by economic developments over the years and have evolved accordingly to cater for an 'increasingly dynamic, competitive, and complex business environment' (Byrne and Flood, 2003: 211).

Professional education and development may be considered as two separate components, namely, pre-qualification and post-qualification education and development (IFAC, 2004; Paisey and Paisey, 2014). The emphasis until relatively recently has been on pre-qualification or initial training periods, with professional examinations used to assess whether trainees have acquired an acceptable level of knowledge to enter the profession (Jarvis, 1983). An 'incredible' amount of resources, both financial and human, are used to support the 3–6 years of professionals' initial education (Cervero, 2001: 17). It typically consists of a structured curriculum and formal assessment accredited by a professional body, sufficiently broad to enable young professionals to subsequently work in a wide variety of roles and organisations (Daley, 1999; Eraut, 1994; Houle, 1980). Policies for initial professional education are well established and have developed through a series of mutual arrangements between higher education and professional organisations. However, initial professional education programmes are notoriously overcrowded because they attempt to include all the knowledge required for a lifetime in the professions (Cervero, 2001), and it has become increasingly apparent that this front-loading effort may not be as efficient as originally envisaged (Flood and Wilson, 2009; Paisey and Paisey, 2014). There is now awareness that prospective professional accountants do not have 'time in school' to 'cover [all] the ground' that might subsequently be required to deal with future issues and contexts (Houle, 1980: 85). The accounting profession has thus renewed focus on post-qualification professional education and development of its members so that they can provide high-quality services throughout their professional lives and the idea that planned learning is only for trainees is no longer the norm (IFAC, 2004; Paisey and Paisey, 2014).

Both CPE and CPD are referred to, in contemporary literature, in the context of post-qualification professional education and development. CPE largely refers to formal education which comprises a prescribed learning framework, an organised learning session or series of sessions, the presence of a designated teacher or trainer, the award of a qualification or credit and a specification of outcomes (Eraut, 2000). However, CPE fails to appropriately acknowledge that many of the problems faced by professional accountants are undocumented in the teaching material, for example, dealing with stakeholders of an organisation, managing change in organisations. Schon's (1987) swamp metaphor highlights that people *teaching* practices are dealing with certainties and stable contexts while people actually *doing* are dealing with ever-changing environments and conditions. CPD is distinguished from CPE as it recognises 'informal learning that can be achieved through practice' (Friedman and Phillips, 2004: 371) whereby 'the purely educational element becomes one alongside others' (Gardner, 1978: 5). CPD also acknowledges that learning increasingly takes the practice setting into account. The proliferation of the use of CPD as the mainstream terminology recognises that informal learning is gradually being accepted as 'fundamental, necessary and valuable in its own right' and not merely as an inferior alternative or a precursor to formal learning (Coffield, 2000: 8). CPE and CPD, therefore, are not a means of modifying shortcomings of initial professional education but a means of continuing to develop professionals (Paisey and Paisey, 2000, 2014).

CPE was first introduced in the 1960s with the publication of a conceptual scheme for the lifelong education of physicians (Cervero, 2001). Other professions also began to acknowledge that further education and development could be beneficial for their members. Many professional accountancy bodies introduced CPE/CPD policies in the late 1970s; however, these initiatives were voluntary rather than mandatory (Paisey and Paisey, 2007). Until the 1980s, 'little systematic thought' was given to education and development during the 40 years of professional practice from the 1970s (Cervero, 2001: 17), and little resources had been allocated (Houle, 1980). Initially, perceived professional obsolescence in knowledge, skills and practices was the main rationale for increased emphasis on mandatory CPE and CPD in accounting (Eurich, 1990; Rahman and Velayutham, 1998). However, the Accounting Education Change Commission (AECC, 1986) asserted that CPD also supports an enhancement of knowledge and skills attained at the point of entry into the profession and provides 'challenging opportunities for learning and using skills and knowledge' (p. 6). Furthermore, it aids practitioners to identify when levels of knowledge and skills have become deficient so that they can proactively initiate training/development to regain competence (Jarvis, 2004; Rahman and Velayutham, 1998).

In terms of status, CPD is currently in a similar state as initial professional education in the early twentieth century; it is, therefore, in a state of infancy and transition and has yet to grow to achieve coherence, size and recognition equivalent to today's initial professional education (Cervero, 2000, 2001; Friedman and Phillips, 2004). However, it is now mandatory for continuing membership of professional bodies, for continuing certification of competence and for regulating professionals' practice within most professions (Cervero, 2000, 2001; De Lange et al., 2012). IFAC promulgations have ensured that CPD is considered mainstream within the accounting profession and is regarded as a bona fide stage in the life cycle of professional accounting education (Friedman and Phillips, 2004). IFAC (2002) asserts that the period during which accounting practitioners develop their proficiency in professional roles continues well beyond initial qualification. IFAC (2004) introduced International Education Standard (IES) 7 (revised 2012), *Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence*, effective 1 January 2006. IES 7 was promulgated through membership obligations of IFAC (2004) and requires member professional bodies to 'foster a commitment to lifelong learning through mandatory CPD schemes' (p. 1). However, overriding responsibility is placed on individual professionals, and CPD requirements are intended to facilitate the development of professional competence of individuals to enable a more efficient and effective performance in their current and future roles and boost their career progression (Friedman and Phillips, 2004). In terms of historical research, given CPE/CPD has quite recent history, it has to date not received any great attention in the accounting history literature. For example, Spraakman and Quinn (2017) noted that only 2.5 per cent of the 443 articles published in the three leading English language accounting history journals from 2006–2015 covered accounting history. None of these articles explicitly examined CPE/CPD.

Brief history of CPA Ireland

Having outlined literature on the development of the accounting profession in the United Kingdom and Ireland and professional accounting education, a brief history of CPA Ireland follows.[10] In 1926, 4 years after the formation of the Irish Free State in 1922, many challenges awaited the fledgling nation. Institutions and organs of the State had to be formed, legislation enacted and trade promoted, to name but a few. In this context, The IAA was formed on 11 March 1926 as a company limited by guarantee under the Companies (Consolidation) Act 1908 – an existing piece of legislation from pre-independence. The initial articles of association of the IAA extended to 117 in number, covering matters such as membership admission, finances, fees, the conduct of meetings, council duties and examinations. At an inaugural dinner on 17 January 1927, the Chairman, William Bowesman, noted the Association was 'the first body of accountants incorporated under the laws of Saorstat Eireann' (Irish Times, 1927). The body had an imperative of ensuring a 'high standard of professional conduct in the coming years' (Irish Times, 1927), he added. The Chairman also noted that no candidate sitting the first examinations in November 1926 was of an educational standard to justify admission to membership (Irish Times, 1927). Table 2 shows a summary of the examinations at that time, with three successive examination sittings. The preliminary examination could be avoided if a prospective student had a sufficient university degree and before sitting the intermediate examination required, evidence of an apprenticeship (with an accounting firm) had to be produced.

In 1927, all accountants in the Irish Free State were faced with the prospect of regulation of the profession in the form of the Registered Accountants Bill, 1927 (see Robinson, 1964: 183–191). A key objective of this Bill was to ensure that all accountants in the State were registered and appropriately skilled. The Bill was defeated (i.e. was not enacted as a law) 18 votes to 15 on 24 February 1927.[11] The IAA continued for nearly 40 years and was wound up by voluntary liquidation on 29

Table 2. Curriculum of The Irish Association of Accountants 1926.

Preliminary examination	Intermediate examination	Final examination
English	Bookkeeping and accounts, including partnerships and executors accounts	Advanced accounts, including partnerships and executors accounts
One of Irish, French, German, Spanish or Latin	Cost accounts	Auditing and the law
Mathematics	General commercial knowledge, including auditing	Cost accounts
	Commercial law	Income tax, including double taxation

Source: Articles of Association, IAA.

June 1965. Some months before, on 24 October 1964, the IAA Council took a unanimous decision to 'proceed in negotiations […] with a view to amalgamation'. This amalgamation occurred in February 1965, and the other body was the SPA. The two became the current CPA Ireland.

The SPA was incorporated on 29 January 1943. According to a *CPA Newsletter* from January 1993 marking the 50th anniversary, the SPA was formed to represent professional accountants whether in public practice, industry or the public sector. The Memorandum of Association of the SPA from 1943 set out many of the features of today's body (i.e. CPA Ireland), for example, members were classified as Associates or Fellows; Associate Membership was through examination and 5 years' experience in public practice, as an accountant employed by the State or as an accountant in a company of good standing; a Disciplinary Committee was to be formed, and the Council had the power to make bye-laws. Interestingly, the Memorandum document of the SPA did not detail examinable subjects, and such decisions were instead vested in the Council. In 1961, the name was changed to The Irish Society of Certified Public Accountants Ltd, and this new name was granted recognition under the Irish Companies Act 1963 as an approved (but not prescribed, see later) auditing body.

After amalgamation with the IAA in 1965, a further name change occurred in 1971 to the CPA Ireland. The name change was approved by the Minister for Industry and Commerce and ratified by an Extraordinary General Meeting of the Institute on 18 September 1971, which at this time had some 200 admitted members. In the 1960s and 1970s, the profile of those joining CPA Ireland was largely uniform, with the majority of joining members completing the main State-run secondary school examination, the Leaving Certificate. Significant focus on growth throughout the 1970s resulted in a trebling of candidates taking examinations between 1973 (198 candidates) and 1979 (596 candidates). This growth continued during the 1980s. By the early 1990s, the trend in recruitment had changed, with approximately one-third of candidates coming directly from the Leaving Certificate and the remaining two-thirds with further qualifications. By CPA Ireland's milestone 50th anniversary in 1993, there were 1,600 registered students (i.e. registered to sit CPA Ireland examinations) and associate membership was in excess of 1,000 located in over 20 countries worldwide. The economic upturn in Ireland in the late 1990s led to further growth and the admission of the 2000th member in 2000 and the 3000th member in 2006. Almost all entrants in more recent years possess qualifications from third-level institutions (i.e. universities and similar), and the age profile of entrants is increasing. Today, CPA Ireland has approximately 5000 members and registered students in industry and practice in Ireland and around the world – see Table 3 for summary CPA Ireland membership data.

Table 3. Summary CPA Ireland membership data.

Year	Students	Members
1982	1,300	417
1989	1,400	700
1991	1,400	838
1993	1,600	1,100
1995	1,500	1,210
2000	1,353	2,010
2005	1,962	2,914
2010	1,225	3,745
2015	881	4,071

As noted above, the SPA utilised bye-laws as an administrative regulation, and this continues today within CPA Ireland. Presently, bye-law 8 of CPA Ireland relates to *CPE.* The emergence of this bye-law is the focus of this study.[12] This bye-law mandated compulsory and formal CPE for members of CPA Ireland many years before other similar professional bodies and before the promulgation of IES 7. The following section details the history of events leading up to CPE introduction for members of CPA Ireland, but first, the theoretical lens utilised to frame the events is outlined.

Theoretical lens and method

As noted in the previous section, this exploration of the introduction of CPE at CPA Ireland is a story of change within a professional accounting body. Many theoretical lenses have been used to study change concerning accounting practices in organisations, accounting bodies and accounting regulations from a contemporary or historical perspective. For example, contemporary studies of accounting change have drawn on actor–network theory (e.g. Alcouffe et al., 2008; Dechow and Mouritsen, 2005), institutional sociology (e.g. Nor-Aziah and Scapens, 2007) and institutional economics (e.g. Burns and Scapens, 2000; Lukka, 2007; Quinn, 2014). In accounting history literature, some of these approaches have also been used to study accounting change. For example, institutional sociology has been utilised by Carmona et al. (1998) and Núñez (2002); concepts from institutional economics have been used by Hiebl et al. (2015) and Quinn and Jackson (2014). Additionally, other accounting history scholars, such as Edwards (1992), Edwards and Boyns (1992) and Carnegie and Napier (2002), have noted more general aspects of accounting change, such as the process of change, change agents and comparative dimensions of change (e.g. periods, places, people and profession).

For this study, we draw on elements of institutional theory to frame our analysis. We acknowledge that the term 'institutional theory' is very broad and comprises many facets. We adopt a neo-institutional approach as noted by Rowlinson and Hassard (2013), drawing on neo-institutional concepts to illuminate the telling of historical events. We do not intend to contribute to extant neo-institutional theory drawing on history, a notion that Rowlinson and Hassard (2013) refer to as historical neo-institutionalism. With this in mind, we draw on the work of Williamson (2000) and Seo and Creed (2002) to frame this study. The work of Williamson (2000) sets out four levels of social (institutional) analysis. Briefly, these are – in order of influence – (1) informal institutions, customs, norms, traditions and religions; (2) the institutional environment (the formal rules of the game); (3) governance (playing the game); and (4) resource allocation and employment. Williamson

(2000) argues that level 1 institutions influence level 2 ones, level 2 influences level 3 and so on. He also argues that level 4 institutions are subject to continuous change (e.g. through prices), whereas level 1 institutions are typically subject to change over decades or centuries, and such change may originate from lower levels (i.e. levels 2, 3 and 4) as feedback over time. On the latter point, Williamson (2000) notes that he mainly neglects such feedback in his analysis (e.g. change in an organisation leading, over time to sectoral or societal change), but he does acknowledge that over time 'the system is fully interconnected' (p. 596).

Table 4. Williamson's (2000) levels of institutional analysis as interpreted for this study.

Level	Per Williamson (2000)	For this study
1	Informal institutions, customs, norms, traditions and religions	The accepted ways of doing business as dictated by norms, traditions, religion and the public interest
2	The institutional environment – the formal rules of the game	Legislation and regulation governing business, accounting and the profession, for example, accounting standards/company laws
3	Governance – playing of the game	Institutes of governance, including courts of law and the accounting profession itself
4	Resource allocation and employment	Individual firms and individual professional accounting bodies

In terms of the accounting profession, as embodied within the professional body of the current CPA Ireland, Williamson's (2000) levels of institutional analysis are used to frame and interpret various forces for change – internal, such as a strong leader or organisational process, and external, such as society, laws or political factors – which may have brought about change and/or maintained stability within the body. For this study, we present Williamson's (2000) four levels of institutional analysis as shown in Table 4 and include some exemplars relevant to this study in the right-hand column. We include public interest as a level 1 institution which is broadly consistent with theories of economic regulation (see, for example, Hantke-Domas, 2003; Pigou, 1920; Stigler, 1971). As noted by Hantke-Domas (2003: 165), a public interest approach to economics 'explains in general terms that regulation seeks the protection and benefit of the public at large'. Thus, following Williamson's (2000) logic, the notion of public interest precedes regulation (e.g. accounting standards) which we interpret as a level 2 institution. To give an example relevant to this article, it was 2004 before IFAC issued formal regulations regarding CPD (level 2 institution). However, the original Memorandum of Association of the IAA from 1926 notes an aim of the body as

> […] to provide an Irish organization for accountants and auditors, both men and women, and generally do all such things […] as may be necessary to elevate the status and procure the advancements of the interest of the profession. (Clause, 3(a))

This suggests that the 'interest of the profession' was an important concept and is reflective of a level 1 institution – similar mentions are to be seen in other professional accounting bodies' charters or founding documents. Moreover, while the espoused focus of the profession is largely public interest (Canning and O'Dwyer, 2001; Parker, 1994), self-interest may be prioritised over public interest in some instances. We return briefly to public interest later.

While summarising much previous institutional work and noting time frames (e.g. years and decades) for change at each level of analysis, Williamson (2000) does not detail causes of change to incumbent institutions. Thus, his four levels of institutions are more an analytical framework which needs to be supplemented with additional theoretical insights. For example, he notes level 1 institutions may be guided by social theory, level 2 by property rights/positive political theory, level 3 by transaction cost economics and level 4 by neoclassical economics/agency theory (Williamson, 2000: 597). Thus, in this vein, we draw on the work of Seo and Creed (2002) who provide some useful insights on what they term 'institutional contradictions' (p. 226). These contradictions can arise over the long term through praxis (political action embedded in interconnected yet incompatible institutional arrangements) and 'provide the seeds for institutional change' (Seo and Creed, 2002: 226) – part of the feedback loop between institutional levels which Williamson (2000) refers to but does not elaborate in great detail. Seo and Creed's work mainly emphasises institutions at the organisational level, that is, levels 3 and 4 (Williamson, 2000), but they clearly link to the higher level institutions noting that 'institutions can develop contradictions with their environments, other institutions, or elementary social behavior' (Seo and Creed, 2002: 226). They note four sources of institutional contradiction – legitimacy that undermines functional inefficiency, adaptation that undermines adaptability, conformity that creates inter-institutional incompatibilities and isomorphism which misaligns interests. When any such contradictions arise, a shift in the collective consciousness of agents (in this study, professional accountant mainly) may occur and institutional change results. Thus, taking the work of Williamson (2000) and Seo and Creed (2002) together for the purposes of this study, we have a lens through which exploring and analysing institutions at various levels and interpreting any potential institutional contradictions which resulted in change at CPA Ireland – which in this case is the introduction of CPE.

We now describe our data collection method. We note the authors are not CPA Ireland members and that to the best of our knowledge, this study is the first one which explores the history of CPA Ireland. The data for this study come primarily from internal CPA Ireland records, which were granted permission for access. The records include meeting minutes of CPA Ireland's Council and annual general meetings, company formation documents on its establishment and other internal documents and magazines/journals published by CPA Ireland. These documents were photographed and stored digitally. For context, we also referred to newspaper articles and sources of regulation as required, which were sourced from newspaper archives and online law databases. The analysis was conducted manually, keeping in mind Seo and Creed's (2002) contradictions but also the various levels of institutional analysis, which may yield clues as to the direction of change (e.g. top-down (level 1) from the societal level or bottom-up from within the organisation (level 4)). In addition to the document analysis, we also interviewed the current Chief Executive, who has been a member of staff at CPA Ireland since 1989. This interview was conducted for a number of reasons. First, it allowed us to gain some insights into the workings of CPA Ireland at the time as this person was involved in initial discussions on CPE. Second, it provided context on the general nature of the accounting profession in the Republic of Ireland during the 1970s to the 1990s. For example, the increasing importance of public interest was noted. Third, it provided us with some guidance on interpreting important documents and specific time frames to focus our analysis of CPA documentation. The interview was not recorded, with the authors taking detailed notes of key points instead.

The emergence of CPE at CPA Ireland

We now detail the emergence of mandatory CPE in CPA Ireland, starting from the mid-1970s. As noted in earlier, contemporary literature distinguishes CPE and CPD. CPA Ireland's requirements incorporate both as described in the literature but refer and always have referred to it as CPE. Although a general outline of the history of CPA Ireland is given above, we now add to this from an accounting education perspective to set the scene in prior to the emergence of mandatory CPE requirements. During the late 1960s and early 1970s, six regional societies (or geographical sub-divisions) were established within CPA Ireland – Munster, Leinster, Ulster, Western, Mid-West and British. Each of the six regional societies incorporated parallel registered student and member societies whose objectives were to increase the profile of the body, provide a forum to network, share issues, socialise and be educated. A focus on further expansion led to the appointment of a public relations officer, the establishment of a Student Services Committee and a Recruitment Committee in 1971. A newspaper campaign targeting new student registrations was launched in 1972, and other recruitment initiatives were also undertaken, including visits to careers' guidance exhibitions, universities, regional colleges and secondary-level schools to promote a career in accounting with CPA Ireland. As highlighted earlier, this strategy proved successful and substantial increases in registered student membership followed. The Council of CPA Ireland established committees by the mid-1970s to reflect matters concerning registered students and members, including taxation, accounting standards and ethics, disciplinary, examinations, student liaison and seminars committees. The variety of committees under the remit of the Council subsequently expanded to reflect evolving concerns.

An extensive review of the pre-qualification syllabus was carried out in the mid-1970s to take account of educational, legislative, ethical and professional standards and responsibilities and other developments of the time. This review was prompted by several external factors such as the introduction of SSAPs in the early 1970s and the introduction of value-added tax in 1972 and corporation tax in 1976 (see Farmar, 2013). A revised syllabus and examination process was formally approved by the Council in 1976 and the first examinations of the new syllabus took place in May 1977. The syllabus comprised four key stages which continue today: Formation I, Formation II, Professional I and Professional II, with four assessable subjects at each level.

There was a growing realisation within the professional body that qualified members could also benefit from training and education. Council minutes from the late 1970s reveal that CPA Ireland was mindful that other professional accounting bodies were promoting CPE – for example, the Institute of Chartered Accountants of Scotland (ICAS) and ICAEW had, in 1977, recommended members to follow CPE guidelines effective on 1 January 1978 and 30 June 1978, respectively. These recommendations involved prescribed hours of both structured[13] learning (such as courses and preparation of technical material)[14] and unstructured learning (such as reading newspapers and professional journals) over a 3-year period. Members of ICAS and ICAEW were also required to provide details of continuing education undertaken each year. In October 1978, it was agreed by CPA Ireland Council to provide for CPE on a voluntary basis until 1981, at which point Council would have the power to introduce mandatory CPE. The other principal Irish Institute, ICAI, followed and in December 1980 recommended that all members should undertake CPE (Robinson, 1983).[15] Thus, by 1980, many professional accounting bodies in the United Kingdom and Ireland had *recommended* CPE/CPD of some form, but it was not formally monitored by the respective bodies or tied to continuing membership as would be the norm today.

CPA Ireland membership elected not to introduce mandatory CPE in 1981, instead continuing with a recommendation to members to undertake CPE. Notwithstanding, focus on education continued and the CPA Ireland Chief Executive was elected to chair a study group to examine the 'Education for the Accountant' at the IFAC Annual Congress in Mexico in 1982. Meanwhile, accounting guidance promulgations in the 1980s and the Irish Companies (Amendment) Act 1986, which led to a more public relationship between the auditor and the client, increased focus on 'public interest' within the accounting profession (see Irish Times, 1986). Council minutes reveal that a debate was emerging with regard to whether consideration of 'the public interest' should apply only to public practice members or to all members. Council suggested that presenting a balance sheet to a board of directors was no less in the public interest than providing an audit report accompanying a set of financial statements. Towards the end of the 1980s, this debate spurred a general re-appraisal of CPA Ireland, which included CPE. In 1988, a Strategic Planning Committee (SPC) was formed to support the direction of Council. The SPC consisted of the CPA Ireland President, two Vice-Presidents and the Chief Executive; it did not include representation from other structures within the organisation. The SPC met five times and submitted a report to the Council on 14 February 1989 for consideration at the next meeting of 22 February 1989. The SPC report, simply titled ‘Report of the SPC’, in its opening paragraph (1) noted (emphasis in original),

> in order for the Institute to grow and go forward over the next five years, it must accurately assess *its present position, decide where it wants to go to and ensure that it has the resources to get to its destination.*

At the time of the SPC report, the number of members was 700, with 1400 registered students – as cited in the report itself. The SPC report presented several areas for recommendation to Council to encourage the growth and development of the Institute; CPE was one of these areas. First, the overall aim of CPA Ireland was addressed. The SPC recommended the aim to be changed to read as below (italicised text being the main change noted in the SPC report):

> The Institute of Certified Public Accountants in Ireland aims *to service and represent the general interest of its members*, by promoting the development of the accountancy profession in the public interest, and maintaining a high standard of professional practice, knowledge, skill and ethical conduct among the members of the Institute and ensuring that this is perceived by all.

The inclusion of the above change to the aim was justified by the SPC in the context of maintaining CPA Ireland as a stand-alone professional body (the issue of Irish professional accounting bodies merging had been a suggestion in the 1980s and would be revisited in the 1990s). The SPC report noted that if the general interest of members was not served (by maintaining the Institute), then ‘the Institute would in a matter of time cease to exist’. Second, the SPC report noted CPA Ireland wished to gain recognised body status (i.e. legal recognition as an approved statutory audit body) not only in Ireland but at the European Union (EU) and international level.[16] Recognition in a more general sense also emerges from the SPC report. It notes (1–2),

> Our Institute has battled long and hard to get its recognition at home and abroad and the Committee is keenly aware of all the effort and time that has been committed to this aim. We are also aware of the main obstructions to our recognition [and how it] strangled the growth of the Institute over the years.
>
> The Committee further believes that in pursuing recognition […] that it would be unwise for the Institute to continue to rely as heavily as it does on external agencies including our own State Departments and for that reason strongly recommends that the Chief Executive be given responsibility to pursue this recognition.

The report also noted that recognition abroad had been increased, thanks to the removal of barriers at the EEC level and the approval of a mutual recognition directive.[17] Thus, a key objective was to improve recognition in general at home – which would have been aided by recognition in general at the EEC/EU level and as a recognised body in Ireland. Third, the report suggested a restructuring and development of the Council, mainly the establishment of sub-committees to support recognition, internal administration, members and registered students. These three items effectively summarise the strategic intentions of CPA Ireland at the time. In addition, the SPC report referred to the need of publishing an improved journal: it recommended that content should be improved to include sections on registered student/

member issues, in-depth research, editorials on contemporary issues, guest contributions and examinations. Such improvements would support CPE efforts of members, although this was not expressly noted within the SPC report.

Within the strategic intentions of the SPC report, CPE received direct mention as an issue for consideration to underpin the development of members – as reflected in the amended aim of CPA Ireland noted above – and improve the recognition of CPA Ireland as well. Compulsory CPE proposals outlined in the SPC report mandated that an input-based approach should be adopted, whereby a specified amount of learning activity is established. It was proposed that members should complete at least 14 hours CPE per year. The relative size and agility of CPA Ireland enabled a 'bottom-up' approach, whereby formal sessions could be facilitated via regional societies rather than at head office in Dublin. The SPC recommended that key regional venues (e.g. Dublin, Cork and Limerick) facilitate two 3-day formal CPE sessions each year, in key venues such as Dublin, Cork and Limerick. These sessions would incorporate key speakers and printed notes. The same speakers would present at each venue to ensure continuity of presentation. Members would be obliged to attend two sessions (each of 1-day duration) to achieve the proposed mandated 14 hours CPE. The SPC was mindful that over 60 per cent of the Institute's members were operating outside of public practice, and therefore, core areas deemed most significant and transcending members' practice in industry were auditing, taxation and accounting. Sanctions were outlined by the SPC in the event of failure to comply with this compulsory CPE programme, to the extent that non-compliant member names, and addresses would be published in the CPA Ireland journal. Full credits (i.e. 14 hours) were required for 2 years over three, and membership would not be renewed unless a special fee for an Emergency CPE seminar was paid. This proposed fee was to be set at three times the planned normal CPE fee per day and uplifted to include a penalty amount.

Council raised the issue of implementation of the compulsory CPE, as outlined in the SPC report, at the Annual General Meeting on 21 April 1989. The minutes of this meeting were formally approved on 20 April 1990, and the compulsory CPE, as outlined in the SPC report, was adopted, with implementation effective 1 January 1993. CPA Ireland was, therefore, the first professional accounting body in the United Kingdom and Ireland[18] to formally commit to mandatory CPE, 14 years before the IFAC ruling on CPE/CPD. The Council formed a new CPE committee to oversee the implementation of a continuing education programme at a practical level in terms of formal course offerings commenced in 1991. As recorded in the minutes of a Council meeting held on 28 March 1991, two half-day sessions were to be held – one session on 'The 1990 Company [sic] Act and the Auditor' and the second on 'The Audit of Small Company Accounts'. These two seminars were topical at the time given the passing into law of substantial pieces of company law in Ireland in the form of the Companies (Amendment) Act 1986 and the Companies Act 1990. The minutes noted that the first seminar 'is an important seminar for ALL members' (emphasis in original) and 'an outline of the future CPE programme shall be communicated' (p. 4). There was 'agreement on a charge of IR£40, to include adequate documentation' (p. 4). In addition to the implementation, the CPE Committee was charged with the responsibility of ensuring adequate systems to monitor and control the implementation of the CPE requirements. At the outset, the system was paper based, and it became computerised later in the 1990s. Changes to the bye-laws of CPA Ireland were also required. A new bye-law covering CPE was issued, with effect on all CPA Ireland members during 1991 and an effective date of enforcement on 1 January 1993. To the present day, bye-law 8 regulates for CPE. The first imprint of bye-law 8 from 1992 captures the main strategic propositions as set out in the SPC report, with some modifications. Table 5 summarises its main elements.

Table 5. Summary of first CPE bye-laws of CPA Ireland, 1992.

Heading	Key points
CPE (law 8.1)	CPE defined as 'the maintenance of professional competence by continuous upgrading of knowledge and skills'. Members are obliged to maintain competence through CPE.
Requirements (law 8.2)	A total of 90 hours CPE over a 3-year period and at least 16 hours per year for members in practice/working in professional offices. Hours of 60 and 12, respectively for other members (see note below).
Recording (law 8.3)	Members must keep evidence of CPE achievements, which could be called on by Council – a recording template was made available to members. Annual membership dependent on a signed report outlining CPE activity for previous year.
Accreditation (law 8.4)	The principal consideration on whether 'a course or activity qualifies for accreditation is that it should be a formal learning experience'. Such formal experiences included – courses run by CPA Ireland, universities, colleges, formal industry courses, courses run by other professional bodies, formal correspondence courses, original publications in books or technical journals.
An 'hour' (law 8.5)	An hour is defined as a completed period of 50 minutes.
Lecturing (law 8.6, 8.7)	A maximum of 40 CPE hours per 3-year period could be claimed by members who lectured at accredited courses. Limitations placed on repeat deliveries of the same course – maximum of 2 hours per timetabled hour. Course leaders similarly allowed to claim a maximum of 40 CPE hours per 3-year period.
Accredited courses (law 8.8)	All CPA Ireland courses accredited and such courses to be advertised in the journal.
Compliance (law 8.9)	Members not complying liable to disciplinary proceedings in accordance with Articles of Association of CPA Ireland.

This stipulation of hours varied from the initial recommendations, with additional hours required of members in practice and a lower requirement for other members.

The 1992 bye-law remained in force until 2006, when changes were made to take into account IES 7, as issued by IFAC in 2004. The 1992 bye-law consists of nine articles (see Table 5), whereas the 2006 version – which is currently enforced – comprises 24 articles. The new articles in the 2006 bye-law introduced issues such as learning through the technology (e.g. use of CDs or online courses), exemptions from CPE (e.g. due to illness or maternity leave), higher recognition for members in the industry (e.g. involvement in organisational change programmes) and structured and unstructured CPE learning. The bye-law was also modified to take into account that the CPE Committee must comprise at least five members to be appointed each year. Additionally, two committees were introduced in 2006: (1) a CPE Compliance Committee and (2) a CPE Compliance Appeals Committee. These three committees served to bolster existing structures. The key principles as outlined in the 1992 bye-law (see Table 5) were retained in full: maintaining professional competence, requirements (although learning hours increased), recording procedures for CPE hours and accreditation of CPE courses. Interestingly, the definition of CPE in the 2006 bye-law also remains largely unchanged compared to the 1992 one, and it comprises 'the maintenance of professional competence by continuous updating of knowledge and skills' (bye-law 8, article 1).

Discussion

Having outlined the emergence of mandatory CPE at CPA Ireland, we now discuss the emergent process of change using the theoretical lens set out earlier. There were no legal or other regulatory provisions requiring CPA Ireland (or any other professional body) to implement mandatory CPE in the 1990s. This suggests, from an institutional perspective, that the pressures for change are likely to have come from lower level institutions, for example, within CPA Ireland itself. Based on the data above, we first discuss higher level institutions and then the organisation itself as an institution.

Referring back to Table 4, level 1 and level 2 institutions refer, respectively, to accepted ways of doing business (dictated by, for example, norms, traditions, religion and the public interest) and legislation and regulation governing business and the accounting profession. These are macro-level institutions, and, as noted by Williamson (2000), they impose constraints on lower level institutions. In line with broader institutional works (see, for example, Burns and Scapens, 2000; Scott, 2014), constraints here refer to existing institutional arrangements, which may prevent change at both a macro and a micro levels. Following the chronological details given in the previous section, the institutional dynamics are consistent with Williamson's framework (2000). During the early and mid-1970s, level 1 and level 2 institutions influenced CPA Ireland in similar ways as other professional accounting bodies. The introduction of accounting standards – a level 2 institution, as standards are rules to regulate how accountants undertake their work – was brought about by various public accounting scandals of the 1960s. For example, scandals at GEC in 1967 (see Rutherford, 1996) and Pergamon Press in 1968 (see Jones, 2011) brought about change to level 1 institutions as accepted norms and practices were challenged and eventually regulated in the form of accounting standards. In turn, level 3 and level 4 institutions responded, which included consideration of education and training of members to comply with new norms and CPE/CPD. With reference to CPA Ireland, an institutional response/awareness is revealed by the Council minutes from the late 1970s, noting the actions of other professional bodies. As described in the previous section, CPA Ireland followed by recommending voluntary CPE from 1978 to 1981. At this point in time, the evidence suggests that CPA Ireland conformed to prevalent institutions in its approach to CPE, that is, it was similar to other professional accounting bodies in the region. This continued after 1981 when the decision was taken to retain CPE as 'recommended' to members, rather than be implemented through mandatory requirements. Thus, CPA Ireland conformed to the institutional arrangements of the time, its practices on CPE were similar to other professional accounting bodies, and there were no apparent pressures for change emanating from within as revealed through the body's minutes.

The Companies Act (1986) increased focus on public interest in accounting in Ireland, and this emerging debate – as noted earlier, we propose public interest as level 1 institution (see Table 4) – resulted in CPA Ireland considering its strategic position in the late 1980s. The opening paragraph (1) of the SPC report (see earlier) conveyed a wish for 'the Institute to grow and go forward over the next five years' and included consideration of mandatory CPE. As also mentioned in the previous section, it was intended that this growth could improve general recognition of CPA Ireland as a professional body. In terms of Williamson's (2000) framework, and with reference to the SPC report, CPA Ireland's conformity with the existing institutional environment started to drift; until this time, its approach to CPE was the same as other bodies as noted earlier, that is, to recommend CPE. Thus, through the actions/wishes expressed by the SPC report, institutional contradictions emerged, which can be interpreted through Seo and Creed's (2002) work. Through praxis, such contradictions can result in new ways of interacting, which in turn become institutionalised. The contradictions centre around CPA Ireland's wish to grow, develop and improve recognition in contrast to its relative small membership size (see Table 1). Its relatively small size, in comparison with other professional bodies in a UK and Irish context, would suggest it was more likely to comply with institutional arrangements and conform to norms and expectations in a similar manner to other professional accounting bodies, as it had been doing. However, this compliance with the contemporary arrangements and expectations contradicted its strategic wish to grow and develop – potentially by differentiating itself in some way – and thus institutional conflict emerged. In Seo and Creed (2002) language, this represents a misaligned interest, that is, CPA Ireland's interest to grow, develop and improve statutory recognition was not a particular interest within the institutional environment occupied by the other professional accounting bodies at the time. Seo and Creed (2002) present a proposition that 'the presence and degree of misaligned interests increase the likelihood and the scope of praxis for institutional change by generating potential change agents' (p. 233). Based on the evidence gathered and described within this article, this proposition holds for CPA Ireland. Misaligned interests are represented in the SPC report as the desire to grow and increase recognition as opposed to survive as an independent body.[19] These misaligned interests were against the backdrop of the normative and relatively small position of CPA Ireland in comparison to other professional accounting bodies. As revealed in the SPC report, the SPC itself (as a change agent) recommended courses of action to the Council to grow and protect the general interest of members and, as a consequence, improve the body's recognition. A key course of action was the suggestion to introduce mandatory CPE (praxis). Thus, an institutional change occurred within a level 4 institution (Williamson, 2000), that is, change from within an organisation, in this case, CPA Ireland. This change was not replicated, at least in the context of CPE, by other professional accounting bodies at the time. There are two possibilities for this non-occurrence. First, the feedback from level 4 (over time) towards level 1 did not occur as suggested by Williamson (2000). Second, while no similar research has been undertaken on other Irish or UK professional accounting bodies, if key forces for change were external and emanating from level 1, 2 or 3 institutions, Williamson's (2000) work suggests all professional accounting bodies would have behaved similarly and adopted mandatory CPE.

We also argue that a contradiction arose due to legitimacy concerns which brought about change, including the introduction of mandatory CPE at CPA Ireland. According to Seo and Creed (2002: 226), 'scholars have long predicted that conformity to institutional arrangements may conflict with technical activities and efficiency demands'. This latter notion of efficiency relates to Williamson's (2000) level 4 institutions and resource allocation within CPA Ireland. Citing Scott and Meyer (1991), Seo and Creed (2002) note that conformity to the institutional environment increases survival chances, potentially at the expense of efficiency. As noted above, CPA Ireland appeared to conform to generally accepted institutional arrangements until the SPC report noted a need for growth, recognition and the protection of the general interest of the members. In Seo and Creed's (2002) terms, this was a contradiction and a spur for change. In the late 1980s, ICAS and the ICAEW proposed a merger (Bruce, 2005), and as a result, there may have been informal suggestions of similar moves in Ireland between CPA Ireland and ICAI[20], but we cannot confirm such. Nonetheless, our analysis of the Council minutes revealed no evidence of formal talks on such a merger. However, taking this into account, the selection of mandatory CPE helped CPA Ireland to increase its legitimacy and its recognition efforts as a stand-alone professional body. This also had the potential to increase economic efficiency (e.g. by increasing membership) as a professional body, as improved recognition could drive member growth and thereby achieve efficiencies. It may have been equally efficient from an economic perspective for CPA Ireland to cease to exist at this point in time through a merger, but the action of the change agents (the SPC and CPA Ireland as a body) was to challenge the existing institutional environment instead. The course of action would seem to be shown as a wise one as membership numbers did indeed grow (for further elaboration of this growth see earlier), and mandatory CPE requirements as introduced were similar to those mandated by IFAC some 14 years later.

As stated above, CPA Ireland introduced mandatory CPE more than a decade before most of the other bodies and the introduction of mandatory CPE by CPA Ireland did not spread outwards to other professional accounting bodies in the United Kingdom and Ireland. Following the logic of institutional analysis presented by Williamson (2000), change within a level 4 institution can, over time, permeate upward to higher levels of institutional analysis in a feedback-type loop. In broader institutional terminology, these bodies comprise an organisational field (DiMaggio and Powell, 1991), and in that organisational field, they tend to behave in similar ways, through regulative, normative or mimetic forces. There were no laws requiring mandatory CPE adoption at the time, and normative influences from the profession, in general, were similarly not driving it. However, the increasing public interest debate should be considered as a normative force on all professional accounting bodies and some considered/introduced non-mandatory CPE/CPD as detailed earlier. Thus, any feedback emanating to the broader organisational field (level 2 and level 3 institutions) from CPA Ireland (level 4 institution) could only be mimetic, that is, the other bodies would follow their lead and over time adopt mandatory CPE. As indicated earlier, this did not occur in general, but it is interesting that the largest body in Ireland, the ICAI, adopted mandatory CPD in 1999, some years before its UK counterparts – if this was a mimetic response, it could be worthy of future study. Williamson (2000) does not suggest such feedback must always occur, and he does suggest that a change to level 4 institutions can take a decade or so. In this case, only CPA Ireland appeared – perhaps due to its smaller size – to have an issue which threatened its strategic position and indeed its survival. The other professional accounting bodies, as part of an organisational field comprising larger bodies, could resist or ignore pressure to change, possibly because they did not face the same institutional pressures as CPA Ireland which was a smaller body. The exception was seemingly ICAI, who did not adopt mandatory CPE at the same time as CPA Ireland, but did so without regulative influence and before other professional bodies – possibly representing a mimetic course of action of CPA Ireland within the Irish context. Ultimately, with time, regulative forces (level 2 and level 3 institutions) drove mandatory CPE and all professional accounting bodies, through membership of IFAC, enforced their own mandatory CPE/CPD schemes. Meanwhile, CPA Ireland membership did grow (from about 1000 to 2000 members, as noted in the second section), and ultimately, the professional body also achieved legal recognition alongside all other Irish accounting bodies under the Companies Act of 2003.

Concluding comments

This article has traced the emergence of mandatory CPE at CPA Ireland, the key principles of which remain in operation today. While there were some changes in 2006, the mandatory CPE/CPD at CPA Ireland was not the result of the IFAC promulgation in 2004, but the response to a need of incorporating general business and technology changes. CPA Ireland represents a unique case (within the relatively crowded professional accounting space in the United Kingdom and Ireland) in terms of the history of implementation of CPE within professional accounting bodies. The primary contribution of this article is the provision of insights into why a small professional accounting body such as CPA Ireland introduced mandatory CPE many years before other similar bodies. We argue the provision of mandatory CPE was due to institutional contradictions about misaligned interests and legitimacy issues as a professional body. These contradictions resulted from a desire for growth and recognition within CPA Ireland which could be supported through the implementation of mandatory CPE. At the same time, the introduction of CPE was aligned with CPA Ireland's overall aim to serve the interest of members, and, in turn, the public interest. This article also offers some theoretical concepts and approaches – Williamson (2000) and Seo and Creed (2002) – which may encourage future researchers to explore further aspects of the history of professional accounting education. A neo-institutional approach (Rowlinson and Hassard, 2013) has been utilised in other areas of accounting history and found useful in informing present-day concepts. In terms of the history of accounting education, Williamson's (2000) presentation of the levels of institutional analysis may be particularly helpful as it can incorporate influences from all societal levels – factors to which education is generally susceptible.

There are some limitations to this study. One limitation is that it is written almost totally from the perspective of CPA Ireland, and limited effort was made to investigate the development of CPE from a broader social perspective. However, from a history of accounting education perspective, it provides some grounding for future researchers on the emergence of CPE. A second limitation is our use of a relatively narrow institutional framework. While the work of Williamson (2000) and Seo and Creed (2002) assists in framing the analysis, the broader institutional literature provides many more detailed concepts and approaches which could be utilised in future research. Using the institutional approach here, future accounting history research may compare the institutional environment of other professional bodies to that presented here, noting similarities and differences and effects on accounting education within the bodies. In addition, when contemporary records of other professional accounting bodies in the United Kingdom, Ireland and elsewhere become available as archival material, it may be possible to study whether the actions of CPA Ireland in the early 1990s were discussed or taken in consideration by these bodies. If such discussions occurred, an exploration of the detail of these discussions may offer some insights into the type of, or lack of, institutional contradictions in and around education and training. This may provide additional insights with reference to why other professional accounting bodies did not implement mandatory CPE until required by regulations. A study of the introduction of mandatory CPE at ICAI, in 1999, may be particularly interesting, given it also operates in an Irish/UK context, and it made that change before it was required and before other similar UK bodies.

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Notes

1. The 1851 census did not refer to 'accountant' as an employment category. In 1861, the Irish Thom's directory listed 43 individuals as 'accountant' and referred to two firms (Farmar, 2013).
2. The Irish and UK accounting profession emerged ahead of its counterparts in the United States and continental countries (Farmar, 2013).
3. The Society of Accountants in Edinburgh later joined with the Institute of Accountants and Actuaries in Glasgow and The Society of Accountants in Aberdeen in 1951 to form the Institute of Chartered Accountants of Scotland (ICAS, 2012).
4. The five associations that established ICAEW were the Incorporated Society of Liverpool Accountants (formed in January 1870), The Institute of Accountants in London (formed in November 1870), the Manchester Institute of Accountants (formed in February 1871), the Society of Accountants in England (1872) and the Sheffield Institute of Accountants (1877; see Zeff, 1971).
5. The SIAA merged with ICAEW and ICAI in the United Kingdom and Ireland, respectively, in 1957 (Zeff, 1971).

6. In 2015, CIMA and the American Institute of Certified Public Accountants (AICPA) jointly launched a Chartered Global Management Accountant designation which includes over 400,000 members (see CIMA, 2015).
7. 2015 membership figures: ACCA – 634,000 (ACCA, 2015), ICAEW – 145,000 (ICAEW, 2015) and CIMA – 100,000 (see CIMA, 2015).
8. These ultimately paved the way for international harmonisation and convergence and International Financial Reporting Standards (IFRS) were introduced in the early 2000s.
9. ICAI was also a founding member of IFAC.
10. The full legal name is The Institute of Certified Public Accountants in Ireland. CPA Ireland is a brand name and is the commonly used term to refer to the Institute.
11. This is an Irish language term. The English equivalent is Irish Free State.
12. The transcript of the full debate can be found at http://oireachtasdebates.oireachtas.ie/debates%20authoring/debateswebpack.nsf/takes/seanad1927022400008?opendocument
13. The current bye-laws can be found at http://www.cpaireland.ie/docs/default-source/regulation/bye-laws.pdf?sfvrsn=2
14. 'Structured' and 'unstructured' are contemporary concepts and were not used in these early years. The sentiment was, however, similar to today's one. Structured CPE must be accredited and be part of a formal learning experience, which is measurable and is assessed to contribute directly to the professional competence of a member. Unstructured CPE is learning which is not accredited and is not part of a planned or formal learning experience.
15. The ICAEW recommended 120 structured hours over a 3-year period while ICAS recommended 100 hours over a similar period.
16. ICAI recommended that members undertake 20 structured hours per year.
17. CPA Ireland was represented at IFAC since 1977 and became a member of the Fédération des Experts Comptables Européens (FEE) – the representative organisation for the accountancy profession in Europe – in December 1994. Under Irish company law, no named professional accounting bodies were recognised until the passing of the Companies (Auditing and Accounting) Act, 2003, at which time CPA Ireland (along with the other professional accounting bodies noted in Table 1) was formally recognised.
18. This refers to Directive 89/48/EEC, which provides for mutual recognition of qualifications in recognised professions. Members States were required to transpose the Directive to national legislation by 4 January 1991.
19. ICAI formally approved CPD in 1999, ICAEW and ACCA in 2005 and ICAS in 2006.
20. A merger proposal occurred in 2000 whereby ICAI and CPA Ireland began talks which concluded unsuccessfully after 4 years. See http://www.charteredaccountants.ie/General/News-and-Events/Media/Archive/2004/January/ICAI-and-CPA-Terminate-Merger-Discussions-/ and Irish Times (2000).

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